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Berisha Affirms Government's Human Rights Policy

AU2402093293 Tirana ATA in English 0910 GMT 24 Feb 93

[Text] Tirana, February 24 (ATA)—On February 23 before noon the president of the Republic, Mr. Sali Berisha, met Cardinal Josef Tomco.

In this meeting the cardinal brought the cordial greetings from the holy father, Pope Paul II. He said that the holy father thanks the president of the Republic for all the freedoms the Albanian people are enjoying today and for making possible for all the Albanians to freely exercise religious activity. The cardinal said in his speech that Albania, as a laic state with three different religions, sets an example for all the other countries in the world.

The president of Albania told the cardinal that the Albanians are looking forward to the visit by the holy father in April. The Vatican City has always been to Albania a sincere ally and the strong historic relations constitute a sound basis for excellent future relations .

The president said that Albania is determined to fully observe the fundamental human rights and freedoms. More than 20 political parties exist today in Albania and the fact that our Constitution has not allowed parties on religious bases, this does at all mean violation of the democratic rights, but an harmonization of political pluralism with the religious one, which is characteristic for Albania.

Besides these, in Albania there is freedom of speech and dozens of newspapers and magazines, laic and religious ones, are published and free initiative is guaranteed by law.

The situation of the minorities in Albania today has radically changed. In Albania the minorities in general and the Greek minority in particular, enjoy all the rights belonging to them according to Helsinki Act and the Copenhagen and Paris Charters. They have their own parties which are represented in the Parliament by two deputies. They also have deputies in other parliamentary parties and their representatives in the government, diplomatic representations abroad and local government, also including ministers, ambassadors and mayors elected by free voting. They have all level schools as well as their own press.

In the end of this meeting, President Berisha asked Cardinal Tomco to convey to the holy father his cordial greetings, ensuring him of the hospitality of all the Albanian people in his coming visit to Albania.

Assembly To Discuss Economic Reform Legislation

AU2302143793 Tirana ATA in English 1112 GMT 23 Feb 93

[Text] Tirana, February 23 (ATA)—This week the People's Assembly will discuss laws presented by the government to complete legislation regarding the economic reform. It will discuss the draft laws on the veterinary service and inspectoriat, on some changes and supplements to the laws on the customs' tariffs, on the income tax in the private sector, and on the goods turnover tax. At the request of the Socialist Party parliamentary group, Mr. Ilir Hoti will also answer some questions.

The chairman of the Socialist Party parliamentary group demanded that the government present to the parliament the economic program and the budget for 1993. We want to know the real situation of our economy this year. He demanded that the draft law on the asset of the local government also be submitted to the parliament.

The deputy Petrika Minga expressed concern about numerous sportsmen fleeing abroad, among them 300 football players. He also demanded that funds be increased for sports in general and football in particular.

Deputy Rudolf Marku expressed concern about the draft law on mass media, whereas the deputy Abdi Baleta pointed to the draft-law on the religious communities.

After supporting the demand of the deputy Marku, the head of the Social Democratic Party parliamentary group, Teodor Laco, stressed the necessity of a law on education which, he said, is dictated by the fact that foreign language schools are being opened in Albania and, as a result, there are many problems to tackle.

Deputy F. Cepeli urged a greater care for the handicapped children. Based on these suggestions the Presidency of the People's Assembly will develop out the work programs for the coming weeks.

Zhelev on Relations With Poland; Yugoslav Crisis

LD2302194393 Warsaw PAP in English 1926 GMT 23 Feb 93

[Text] Sofia, Feb. 23—Bulgaria's President Zhelyu Zhelev said on Tuesday [23 February] the relations between Sofia and Warsaw were not satisfactory and added he expected his visit to Poland, starting Wednesday, to help produce new forms of cooperation.

In an exclusive interview for the Polish press agency Zhelev called it "regrettable" that post-communist states of Eastern Europe "rushed off to look for partners but in the West forgetting about possibilities for cooperation between themselves," and admitted that Bulgaria was too passive as regards its contacts with Poland. [sentence as received] He pointed out that though Bulgaria and Poland are linked by the communist past there are in fact many differences between them and they should stick to their individuality in the future development.

Zhelev named the integration with the European structures as a priority of Bulgaria's foreign policy but added that, according to him, "cooperation of the Black Sea countries, those of the Visegrad group or within the Carpathian Euroregion are elements conducive to the faster integration of the whole regions of Eastern Europe with the developed West."

Speaking about decommunization, President Zhelev said that in practice it meant the change of the system of ownership. "As concerns secret files, I have opted for making them open under an appropriate legal act so as not to do any harm to innocent people," he stressed.

Referring to the conflict in the former Yugoslavia, Zhelev repeated Bulgaria's stand concerning the matter that "the crisis (in the former Yugoslavia) must be settled by either European or international institutions such as the U.N., CSCE and EC." "Bulgaria comes out in favour of the inviolability of the present borders and that is why it recognized the sovereignty of the four republics of the former Yugoslavia," Zhelev declared but added it was necessary to keep to European criteria in this respect.

Zhelev, Ministers Discuss Land Reform

AU2302214393 Sofia BTA in English 1935 GMT 23 Feb 93

[Text] Sofia, February 23 (BTA)—Opportunities to speed the land reform were discussed today at a meeting called by President Zhelyu Zhelev, attended by the ministers of agriculture and finance, the deputy chairman of the Parliamentary Agriculture Committee, and leaders of the Bulgarian Agrarian Party, said Valentin Stoyanov, spokesman for the president.

Finance Minister Stoyan Aleksandrov said that 1,400 million leva had been allocated for the structural adjustment of agriculture, which, according to Agriculture Minister Georgi Tanev, will make it possible to return 72 percent of the land to its rightful owners by the year's end.

Anastasiya Mozer, leader of the Bulgarian Agrarian Party, told a news conference after the meeting that only 8 percent of the land has been returned so far but, in her view, the sum allocated by the Finance Ministry will be enough to complete land restitution. The Agrarian Party said at the meeting it would insist that parliament pass an act on the spring sowing. The question of raising funds for an agricultural credit centre was also on the agenda.

BSP Prepares Alternative Government Program

AU2302190493 Sofia BTA in English 1528 GMT 23 Feb 93

[Text] Sofia, February 23 (BTA)—The Bulgarian Socialist (ex-Communist) Party (BSP) is preparing a programme document, "Prospects for Bulgaria," which will probably be adopted at a BSP national conference in late March. The BSP is expected to put forward an alternative for Bulgaria's government. In case of early elections the document will probably be the Socialists' election platform. The document will be discussed at a plenum on Sunday [28 February].

The BSP lost by a slim margin the October 1991 parliamentary elections to the anticommunist Union of Democratic Forces but retained its strong influence. According to the latest statistics released at a news conference today, the BSP has 380,000 members. Under the communist regime the then Communist Party had 800,000 members, and in the summer of 1990, when the first free parliamentary elections were held, their number reached one million. According to the BSP leaders, the percentage of younger age groups among BSP members is increasing, and some 30 percent of its members are under 40.

The BSP locals are holding annual meetings in preparation for the national conference. According to Mr. Krasimir Premyanov of the BSP top leadership, the meetings have shown "a tendency towards new thinking" and "the BSP's openness to other parties."

Politicians Comment on Dogan-Zhivkov Meeting

AU2302184693 Sofia BTA in English 1704 GMT 23 Feb 93

[Text] Sofia, February 23 (BTA)—Former Prime Minister and MP [member of parliament] of the Bulgarian Socialist, ex-Communist, Party (BSP) Andrey Lukanov last week said there was a danger of a return to Zhivkovism. The role of Todor Zhivkov, the former communist dictator, is being underestimated, according to Mr. Lukanov. Meanwhile, the leader of the ethnic Turks' Movement for Rights and Freedoms (DPS) Ahmed Dogan met with Zhivkov. The national television's most watched news and views programme last Saturday aired

interviews with Zhivkov and Dogan. Mr. Zhivkov looked well for his 80 years and answered questions with a sense of humour. Commenting on the Dogan-Zhivkov meeting, the Bulgarian press noted it took place right after the visit to Sofia of Turkish President Turgut Ozal, while Mr. Zhivkov is awaiting trial for launching the campaign to assimilate ethnic Turks in the mid-1980's. The press wrote the interview may stir a nostalgia for the communist past, when the government guaranteed a poor, but secure life.

The BSP did not respond with an official statement on Mr. Zhivkov's appearance. At a BSP news briefing today, Georgi Purvanov, member of the BSP central leadership, asked whether "Dogan is not playing on the nostalgic feelings of the socially disadvantaged."

According to Krasimir Premyanov of the BSP central leadership, warning of a danger of a backlash, Mr. Lukanov was assessing Bulgarian political life, not the BSP. Mr. Premyanov believes "the Zhivkov theme" was not so topical now. "It is topical in connection with the subject of totalitarianism and the effort to prevent a backlash," he stressed.

BSP spokeswoman Klara Marinova sees nothing illogical in the Dogan-Zhivkov meeting, but says there was something grotesque in it.

"I cannot judge if, in this case, Ahmed Dogan promotes 'the Zhivkov cause' or 'the Zhelev cause'," Filip Dimitrov, leader of the Union of Democratic Forces (SDS), told BTA. According to him, the meeting, requested by Mr. Dogan, could be interpreted in two ways, as either a provocation to the feelings of DPS sympathizers, who had been forcibly renamed under the Zhivkov regime, or as "a not too convincing attempt to promote President Zhelev's idea of national consensus." "The coming days and weeks will show whether this is just a firework intended to take the public's breath away, or the beginning of a sweeping maneuovre..., as a beginning of a series of actions, this meeting may be really aiming far," Mr. Dimitrov said.

At a regular news briefing, the leader of the Bulgarian Business Bloc George Ganchev, whom the press here does not take seriously, yet who, with his populist appeal, got 17 percent of the vote in the January 1992 presidential election, charged the DPS leader with cooperating with the former State Security during the assimilation campaign, saying this may have been his motive to meet with Zhivkov.

DPS Spokesman Warns of Islamic 'Expansion'

AU2402153893 Sofia BTA in English 1424 GMT 24 Feb 93

[Text] Sofia, February 24 (BTA)—In an extensive interview for today's KONTINENT daily, Mr. Ivan Palchev, spokesman for the ethnic Turks' Movement for Rights and Freedoms (DPS), which now holds the balance in parliament, claims that the Islamic expansion from the Arab world is seeking in Bulgaria a bridgehead to Europe.

Mr. Ivan Palchev claims in his interview that "certain forces are starting to penetrate Bulgaria and treat Bulgarian Mohammedans as Muslims." He believes that if the Turkish Democratic Party (TDP) is registered in court, at some point it could contribute to the explosive situation in the Balkans. The TDP is a newly established, relatively small party which has not been registered in court yet and whose leaders openly advocate Turkish nationalism.

The DPS spokesman says that some Islamic states which have nothing to do with Bulgaria (he does not identify those states) are showing keen interest in Bulgarian citizens. "I cannot agree that the Arab countries have better reasons to be interested in Bulgarian Muslims than Turkey, to whose nationality those Muslims belong," Ivan Palchev points out. If there are ethnic Bulgarian Mohammedans who wish to identify themselves as Turks, these are internal Bulgarian matters, he stresses. "These people, however, cannot be reduced to the common denominator of 'Muslims'," Mr. Palchev says. He believes that the expansion, which now claims to protect the rights of Muslims in Bulgaria, could gradually grow into an interest in Muslims across the Balkan peninsula.

Asked to comment on the conflict in the former Yugoslavia, Mr. Ivan Palchev says that everybody has so far considered it to be an ethnic problem. "If it is not stopped now, tomorrow it could turn into a religious conflict in which Christian mercenaries will fight against Muslim mercenaries, irrespective of nationality," the DPS spokesman believes.

Podkrepa Reviews Participation in National Council

AU2302211193 Sofia BTA in English 2021 GMT 23 Feb 93

[Text] Sofia, February 23 (BTA)—At an extraordinary meeting today the executive council of the Podkrepa Labour Confederation (KTP) decided to call an extraordinary meeting of the confederation. It will review Podkrepa's participation in the National Council for Social Cooperation and discuss a series of coordinated actions to defend Podkrepa members and the socially disadvantaged.

The motive for this decision is what the executive council sees as ongoing restoration to power posts in the economy and government of members of the former communist nomenklatura and the puppet policy of the Confederation of Independent Trade Unions (KNSB), the other major trade union amalgamation. A declaration read by Podkrepa president Dr. Konstantin Trenchev points to the cabinet's obvious inaction in carrying out the tasks it set itself and unwillingness to assess the blame of the former rulers for the national

catastrophe. The council also cites the cabinet's steps taken without consulting Podkrepa, which led to a rise in prices and posed a threat to the biological survival of large social groups.

Cabinet, Assembly Discuss Electricity Price Hikes

AU2302191293 Sofia BTA in English 1830 GMT 23 Feb 93

[Text] Sofia, February 23 (BTA)—The Parliamentary Power Engineering Committee and the Council of Ministers discussed a report on the state and problems of power engineering at extraordinary sessions today.

In its report the National Power Engineering Committee projects that gross electricity consumption in 1993 will amount to 38,600 million kwh [kilowatt-hours], of which 17,582 million kwh will be for economic needs and 10,408 million kwh for household needs. In order to provide for this country's electrical power balance the National Electricity Company will make expenditures to the tune of 22,931 million leva (at the current prices) and will realize incomes to the tune of 20,497 million leva. According to the report, the loss of 2.5 billion leva is due to the price of electricity for household needs which is two-fold lower than its cost price. The price of electricity for industrial needs is close to its cost price. The Power Engineering Committee proposes to raise electricity prices as of April 1 by 184 per cent for household needs and by 120 per cent for economic needs and to raise the prices of central heating and coal as of next season by 200 per cent and 180 per cent respectively. The National Power Engineering Committee proposes for this rise to be a one-step one and to be accompanied by social protection measures.

According to the stand of the Parliamentary Power Engineering Committee, the financial problems of this branch, further aggravated by uncovered losses in 1992, should be settled without delay. The committee believes that a rise in the prices of fuels, electricity and central heating is inevitable but should be preceded by a social security net. The committee also believes that this branch needs careful restructuring based on economic and social appraisals. According to the National Power Engineering Committee, the structures established in this branch a year ago are working and strengthening and any restructuring at this stage would further aggravate the state of Bulgarian power engineering.

The prices of energy sources are the only prices fixed by the Council of Ministers, all other prices in Bulgaria are formed by market mechanisms. A week ago the government raised the prices of petrol by almost 50 percent but the prices of fuels have still not reached the international ones and power engineering needs subsidies. Under the agreements reached between Bulgaria and the international financial institutions—the World Bank and the IMF—the prices of energy sources should be fully deregulated by the end of this year.

The Council of Ministers decided today to set up a special commission headed by Prime Minister Lyuben Berov and including representatives at deputy minister level of the Ministries of Trade, Finance, Industry and Social Affairs as well as representatives of the Power Engineering Committee and the National Pricing Committee. By next Monday this commission is to adopt a stand on the problems of power engineering concerning its structure, development, prices, etc. This stand will be discussed next week with the trade unions at a session of the National Social Cooperation Council and the prices of energy sources will then be determined.

The stand of the National Pricing Committee, expressed today at the Government's Press Office by its chairman, Mr. Vasil Pekhlivanov, is that the rise in energy prices should take place at two or three stages. A one-step almost two-fold increase of these prices will result in an 11 percent rise in the prices of goods and services, according to the calculations of the National Pricing Committee.

Havel Addresses 23 Feb Parliamentary Session

LD2302193593 Prague Radiozurnal Radio Network in Czech 1245 GMT 23 Feb 93

[Speech by Czech President Vaclav Havel at the sixth plenary session of the Czech Parliament in Prague—live]

[Text] Mr. Chairman, esteemed deputies, esteemed government, all those present. I am speaking today as the first president of the independent Czech Republic for the first time before you, its first parliament, fully conscious of the particular importance of this moment and the particular responsibility which I have to you, who elected me, and to all the citizens of our republic. I will use this opportunity to reflect on our new existence as a state and on its prospects. However, it would be difficult to do this without first viewing the area in which we find ourselves and in which we are building our state.

Since the time when the cup of citizens' patience overflowed and the public rebelled against the totalitarian regime, and that regime collapsed, three years have passed, three years full of dramatic changes. We have torn down the fences which encircled us, and our country has opened up to the democratic world. Complete freedom of speech has been restored, we have destroyed all the basic instruments of totalitarian power from the all-powerful state police and the central administration of the economy to all types of manipulation of public life. Our new parliamentary democracy was born. The protoplasms of the great antitotalitarian movements quickly took on the forms of new political parties, while the parties which already existed began to liberate and transform themselves. Free community life flourished throughout the whole country. The churches got rid of state control. Human rights were codified as the permanent basis of a democratic, law-based state. Even if slowly and imperfectly, the injustices of the past began to be corrected; for example, the main rehabilitation and restitution laws were adopted, in accordance with which stolen property began to be returned to its original owners. A complete restructuring of the legal code was inaugarated. We adopted a concept of unprecedented economic reform aimed at renewing private property and the market, and we are succesfully implementing this reform. Several thousand private enterpreneurs and millions of citizens entered the grand process of privatization. The transformation of the whole of agriculture was inaugarated. We achieved the speedy withdrawal of the occupying troops through an enterprising foreign policy, and to a great degree we gained recognition for the abolition of the Warsaw Treaty and Comecon. We have reached an association agreement with the European Community and also become a member of the Council of Europe, and renewed or set up friendly relations with many countries of the world. We have also laid foundations for good cooperation with our immediate neighbors, which had contributed to the fact that in central Europe, in contrast to other parts of the postcommunist world, political stability has been maintained also in the new conditions. Very soon we changed from an unimportant Soviet satellite into an independent, trustworthy and generally respected country. Although we now know what we could have done things differently and better, we have no reason to talk about the previous era in terms of rejection. It has laid foundations for all changes to the system that we are now putting into life. The Czech Republic has certainly something to follow up on.

As citizens, we have always identified with Czechoslovak statehood. We have perceived Czechoslovakia as our natural home, and the very idea that it should be divided was a fierce attack on our identifying with Czechoslovakia. Therefore many of us have put lots of effort into trying to rebuild the existing formal federation into a real and democratic one, in which everyone would feel well. This effort failed. With the passing of time, historians will assess whether it failed because it lacked a concept, was inconsistent, or was in some way flawed in its starting points, or because face to face with Slovak desires, it simply could not be successful. Either way, after the last parliamentary elections it became clear that our state would split. The Czech political representatives deserve an acknowledgement for the fact that in constant and patient cooperation with the Slovak side, they managed to carry out such a complex and demanding operation as the division of a state in a calm, legal and orderly manner. This fact gives a foundation for the trustworthiness of both successor states, as well as prospects for good relations between them.

The division of Czechoslovakia has undoubtedly been painful for many of us. Despite this, it was not accompanied on the Czech side by feelings of wrong-doing, by complaints, reproach, or even disgust with Slovakia or the Slovaks. We understood that the Slovaks have a right to sovereignty. This fact is very significant, too. Had our separation been accompanied by bitterness, it would have left a mark on our relations for a long time to come. This would in the end have turned against us all.

The division of Czechoslovakia has made us face the task to quickly lay some of the foundation stones of the sovereign Czech Republic. I think that this has been achieved. You, deputies of the former Czech National Council and the current Chamber of Deputies of the parliament of the Czech Republic, have played a significant part in this. Not just because you have adopted the relevant laws and approved the relevant agreements, but also because you have adopted the most important law, namely the Constitution of the Czech Republic. It is a good constitution. Let us hope it will be a good start for our sovereign state existence.

It is evident that the space in which we are beginning to build the new Czech state holds a lot of promise, at least because of the quantifiable indices and proven political facts that define it. However, what becomes of that element which cannot be exactly measured and proven, but which is no less important? For that particular element is the one which decides whether we feel good about our country. I have in mind what could be called

the soul of society. What state of mind is our society in? In other words, what atmosphere is there in the space I have just mentioned?

There is naturally no simple answer to this question. Two things are apparent, however: First, it is the fact that a great majority of our fellow citizens have understood the reason and the necessity for social change which we are effecting. They endorsed them in the elections. It is admirable with what courage, matter-of-fact approach and commonsense the people face up to various difficulties arising from the division of the state and the currency, from the new tax system, from the stringent budget policy and everything which accompanies our radical economic reform. It is admirable how quickly the creative business spirit has emerged in society, as has the awareness of market conditions.

At the same time, it has become apparent that the atmosphere in which we live is none too healthy. For many years, the communist regime was systematically building its very own structure of values and certainties of life. It was a thoroughly dubious, enslaving, alienating and inhuman one. Society was none-the-less forced, against its better judgement, to get accustomed to it and adopt it. The structure has collapsed, but so far there is no other or better one to replace it. It could not even exist yet, for obvious reasons. Values such as civic awareness and confidence, civic responsibility, belief in one's own strengths and full comprehension of freedom and all its consequences cannot be declared or introduced by decree. They are born over a long period of time and with difficulty. Everyone has to seek and discover these values inside himself by a complex effort. They are the result of a long-term existential and social process which is slowly weaning people off their old habits and life trends, and is fostering diametrically different habits and trends.

But the loss of the old and the absence of the new is evoking in many a feeling of vacuum, of the failure to take roots, of emptiness and frustration. Some are coping with these subconscious situations by calling for the return of a firm-handed government, which would reestablish order. Some are taking order directly in their hands. In many cases, this internal vacuum is evoking an impression that everything is allowed and that they can therefore give a green light to all their bad features. Many are attempting to find some easily recognized culprit of their own frustration, so that they can cure their shaken self-confidence by pursuing him.

The large growth of criminality and organized crime, the collective violence, the intolerance, racism, anti-Semitism, xenophobia, and indifference toward them, the spreading corruption, the gold fever and the view that life is a jungle and that relations among people are akin to those among wild animals—these are evidently merely the best known manifestations of the special state of affairs arrived at by society in the situation when the world of values of a totalitarian state has collapsed, and when the world of values common in a civic society has not yet come to fruition.

There are, however, other manifestations of this state of affairs as well. They are finer and less apparent, but possibly all the more dangerous. They amount to the spreading of general excessive irritation, the atmosphere of mistrust, suspicion, and endless accusations and scandalizing, the petty malice and stale parochialism, the loud speaking designed to supress one's own complexes, the deepening cynicism, the demagogy, the sloppy thinking, the vulgarity, and now and then even to a certain stagnancy of public life.

I fear that it is precisely these phenomena that have become considerably widespread of late. It cannot be ruled out that this is a tax we are paying for the orderly division of the state. No matter what had happened, it was a certain traumatic experience and it is possible that what is happening now is its indirect manifestation. It would not be the first case in our modern history when the shrinking of our homeland evoked sentiments of this nature.

One cannot accept sociological explanations of this atmosphere and console ourselves with a hope that all of this is only transient and temporary. We cannot even rely on the fact that an improved legislation and a better performance of state power alone will resolve all of this. A little more is needed. There is a need to patiently introduce a new spirit into politics and into our public life, to cultivate their culture and to repeatedly renew its spiritual and moral dimension.

I fear that not many of us are aware of the far-reaching impact political atmosphere or political style have on the entire public life, and of the number of specific consequences that can be caused by politics that lack an appropriate degree of internal refinment.

I do not think that politicians or public figures should preach morals, be moralists or preachers. I believe though that they should accept the responsibility they have accepted for public matters in its entirety. Otherwise it may happen that all the tiresome work of legislative and executive bodies will lose its meaning, since it would stop having an impact on the emerging civic society and on shaping it, and it would dissolve in a general moral quagmire.

The theme of moral points of departure for politics and human behavior in general often emerges in our history. One could even say that it is one of its leitmotives. The feeling of increased coresponsibility for the matters of human community may spring here from the experience that a peaceful life in our area is unimaginable if there is no peace around us. Hence, it was perhaps our geopolitical position itself that taught us not to be interested in ourselves only, but nourished within ourselves the sense for the moral dimension in politics. The ethical basis of democracy was to Masaryk [first Czechoslovak president] a matter of course. It was Jan Patocka [Czech

philosopher] who recently rethought anew the political importance of truth as that of a moral value.

If we are faced today with the task of defining the values on which our new state should be founded, if we want to change these values into the living spirit of our policies and thus help the moral reconstruction of our society, then we do not need to go far for inspiration. It is enough when, in accordance with the preamble of our new constitution, we follow our own good traditions. They are not hanging in the air or crumbling in our dusty libraries. They are a component of our society's genetic store, and as such they can be dug out from the depths of society's subconscious and nourished and developed. The sense of seeing a wider context is an inseparable part of this tradition. The policy of a state which is newly emerging at the turn of the 20th century should be even more aware of this wider context.

Our planet today is populated by what effectively is the only global civilisation. Because of this, individual cultures have for long not lived in isolation and their local conflicts have long ceased to be merely local. Whatever good or bad happens anywhere, this has direct or undirect consequences everywhere. Strictly speaking we share the same fate and face the same threat.

The [?psychological] pressure of this civilisation, which at the same time makes things dangerously similar, has nowadays become entangled with emancipation efforts of hundreds and thousands of cultural complexes which form this civilisation, and more and more frequently clash with these efforts. Various nations, ethnic groups and religious groups throughout the world have risen to defend their irreplaceable identity, often armed with standard technology offered to them by the present civilisation. It seems that because of civilisation's development, the space we are living in becomes all the time tighter, and this causes all the time growing intolerance between all those who live in this space.

Perhaps in the caldron of this worldwide struggle a new era is being born slowly and with difficulties—the era of a multicultural world which is capable of absorbing the civilisation in a truly pluralistic way, and in which individual cultures have stopped to force their individual cultural models on others, as the better ones and supreme to others, but in which they begin to understand each other and learn about their global coexistence, which is needed because of a common struggle against common threats.

Perhaps some sort of a planetary metaculture is being born in this way as the millieu for common responsibility for the fate of the humanity.

Some people can perceive this kind of idea as having very little in common with the everyday troubles of the Czech Republic at present. I do not think so. It is enough, for instance, to analyze the way of thinking, which led the previous regime to carry out a policy, which consequently destroyed North Bohemia to make it clear that it was above all the total lack of awareness of a wider context going beyond the horizon of one's human life, or one locality, which caused to happen what happened, and what is the subject of very serious concern of our government at present. And not only this—it is possible to show that the consequences of the lack of wider responsibity—the responsibility which should participate in forming the metaculture of the present world—can have a negative impact on almost everything.

I wish to be well understood—I am not calling on us to attempt in a messianic way to solve problems which are obviously beyond the limit of our possibilities, strength, and influence. I just think that we should simply know certain things. If our everyday political decisionmaking is imbued with the awareness of the complex character of this world, humble respect to their order and the feeling of a wider responsibility that ensues from this, this will be enough. This will be enough to make better decisions about the things which we have directly to tackle or which we can influence. This will be enough also for us not to narrow the horizon of our influence due to our self-indulgence.

You certainly understand that if I speak here, as so many times before, in favor of deepening the spiritual and moral dimension of politics, that is of resuscitating our good traditions, then at the same time I am warning against the resuscitation of our bad traditions: lack of imagination, provincialism, philistinical contempt, humbleness before the powerful and haughtiness toward the powerless, evasive thinking, and attempts to slip through history at any price, even at the price of losing face. One of the tasks which we have not been able to genuinly and consistently carry out in a civilized way over the last three years is to look into the face of our own past. This liability contributes to the common nervousness. And in this sphere, so far our bad conditions, rather than our good traditions, are asserting themselves. Several phenomena from the post-war period may serve as a frightening example of those bad traditions: From the memorable viewpoint expressed in terms of the sentences "what happened, happened," or "what we are, we are," to the equally memorable witch hunt in conjunction with various disgraceful excesses and the distortion of our own past when, for example, a mere opportunist bow to the newly arising totalitarianism changed many collaborators into resistance fighters, and genuine resistance fighters were persecuted anew, even by former collaborators, as uncomfortable witnesses of their past or as their living pangs of conscience. Nothing like this can be allowed to happen again. It is in the interest of the health of our future development that guilt and responsibility are clearly and precisely named, that justice be allowed in, and that our joint consciousness take on board the principle that no crime and no good deed can remain forgotten.

It is necessary to distinguish between moral, political and criminal guilt and establish an adequate approach to them. It is necessary that everyone who suffered at the hands of totalitarian power obtain satisfaction. It is also

necessary to open up space for repentance and forgiveness. We have to prevent the possibility of new illegality and the humiliation of human dignity, and guard against the danger that various avengers of the people who have suddenly appeared will again high-handedly and brazenly accuse those who attempted, some better, others worse, to do something for the return of democracy.

I consider it very important that the deputies chamber will again apply itself to this task and seek a way how to culturally and at the same time consistently come to terms with our past. If we do not achieve this then we do not have even a hope for a cultural future.

Esteemed deputies, all our post-November governments, parliaments and other state bodies rightly treated the major systemic changes, through which our economy is passing, as the top priority. Moreover, the present Czech political power had to give priority to the demanding process related to the division of the state. It was natural that amidst all this urgent work not much time was left for calm contemplation over some conceptual issues that go beyond the framework of macroeconomic and general systemic changes, or in other words, the changes of the forms of economic life, the changes that affect—if you allow me to use this simplification—its very content. In this respect much had to be solved in an ad hoc manner, as a last minute solution which was generated by the urgency of a particular situation. These solutions were not based on our clear awarness of broader contexts or on a more definite notion about desirable development tendencies.

I spent my entire life criticizing the pride of a modern man who thinks that his brain is able to encompass everything, that it is capable of comprehensive understanding of life and the world, of designing better forms of life and a world, and deriving from this a plan for the future and handing this plan to the state, as an entity most appropriate to implement it, and ultimately forcing it onto society regardless of the true course of life. I definitely do not support a centrally planned future or consider the state to be so clairvoyant a subject to know best what life requires and where it should go. I merely think that in the life of nations and societies there are great historical turns or crossroads when the nations are forced to contemplate the structure of their resources and potential, their very economic identity, their better or worse prospects and naturally the economic means it should use to direct the development to its best advantage. Do people, nations and societies not establish the state for the very reason of getting assistance in resolving the issues which cannot be resolved without agreement and cooperation of all?

I am convinced that we, too, are coming to a turning point today. We have to consider where we stand, what our chances are and which way we should take. This is not just a task for the government or one which the government can cope with on its own. Something more is needed, namely, to create an atmosphere where concepts are born, a climate which will encourage individuals, independent scientific workplaces, businesses, interested parts of the public, the media, and eventually representative bodies and state administration to think in a strategic way and to think what has long-term, overall prospects and what does not.

There are questions that we simply cannot avoid: For example, will we be predominantly a transit country and therefore support modernization of airports, the construction of highways, will we be preparing ourselves for future construction of freeway systems and facilitate the development of the appropriate infrastructure? Will we orientate ourselves, in the spirit of some predictions of world development, rather to certain regional autonomy of economic life or will we follow the path of fast inputs into supranational integrated entities? To what extent shall we gamble on tourism and support all that can make it into a powerful source of prosperity? Will we lean on the potential of skill and inventiveness of our people and will we support, above all, small and medium producers and businessmen? What prospects go to our eletronics and radio technology? What position will we adopt vis-a-vis our aircraft industry? What are developmental possibilities for heavy industry? And what about the topic which is particularly talked about today—the power industry? It is not only a question of whether or not we will complete Temelin. What is involved is whether or not we have a view on future development of our power industry as such. On what kind of power resources will we try to focus more of our attention, and on what kind less? How will we support all that is aimed at power saving? How will we support decentralization of resources and their competition? How, at least temporarily, will we make advantages for those who will set along the path of building local and ecologically acceptable production of power? What rates, depending on the overall power conception, should be followed in fazing out the extraction in the North Bohemian brown coal region and desulphurization or closing the appropriate thermal power stations? What economic instruments can be used to support the creation of new labor opportunities for miners?

It seems to me that none of these questions can be answered in an isolated fashion without a certain viewpoint on the economic and thus also power the industrial future of our country. The fact that communism turned our entire economy inside out, combined with the fact that we are building our economy within the framwork of a new state formation has put us, in my view, before the task of enriching our economic reform in this kind of thinking. Its possible results then can provide good guidelines both in the economic decisionmaking of the executive components, for example in assessing privatization projects, and in law creation as creation of rules which guide the free game of market forces, which in fact provides a roundabout way for me to return to my old topic: There can be no game when there are no rules; and good rules must grow from a certain viewpoint on the very meaning of the given game, in our case broader responsibility for the future fate of our community. The

roots of these rules are in the moral sphere. Nevertheless, without a certain moral climate the best rules have no great prospects of being adhered to, and may become just a heap of waste paper.

We all know that a democratic, law-abiding and prosperous state is, in today's world, thinkable only as a cultural state in the broadest sense of the word. That is as a state that understands the vital importance for its future of such areas as education, health care, social care, scientific research and culture. We all know that in our country these areas, too, must undergo a radical transformation. They must become independent of the state and must learn not to rely on the state automatically paying for everything. They must adapt to completely different conditions than those they were used to up until now. It does not mean that mere mechanical reduction of state subsidies will, on its own, solve everything else. Thus, we could very easily throw the baby out with the bathwater. I am convinced that also in this case, tax payers' money must be managed in an economical way and this must be based on specific transformational concepts. First, we must create legislative preconceptions for the creation and usage of pluralist resources independent of the state budget, or only very loosely linked to it, and with a clear aim, and only then to reduce subsidies. There are, for example, schools, scientific and cultural institutions that know how they could survive economically in the new conditions if it was legally possible. I consider it to be very dangerous to take away from them subsidies and not give them this opportunity. In this matter, the legislative power owes us a lot.

Allow me now, please, to say a few words about Czech foreign policy. The independent Czech Republic, as it is often being stressed these days, lies much more clearly in the western part of Europe, when compared to Czechoslovakia. Therefore, it rightly professes West Europe's spiritual traditions and political values even more than we had done until now. Our foreign policy wants to be specific, matter-of-fact—not ostentatious—but at the same time self-confident in the sense that it is not willing to behave toward the West as a humble beggar but as its equal part which, as any other part within its framework, has the right to its own view.

The goals of our government's foreign policy are good. I would like to contribute to an effort ensuring that the soberness and adequacy of this policy does not lead to a gradual loss of its inner ethos, and subsequently to a loss of its appeal value, and also to ensure that it does not ultimately come under suspicion that the realistic awareness of its own possibilities will lead it to the very edge of parochialism. I would like to contribute to the Czech foreign policy retaining its integral spirit as well as its good style. I would also like to contribute to making it clear that it is based, in line with the political values it professes, on a clear awareness of coresponsibility for the fate of human community. If this is not clear enough, it will be very difficult for our new republic to win general respect.

The thought that we are not petitioners, but partners who also have something to offer and who want to share in joint decisions with others on a basis of equal rights has been present in our post-November foreign policy from the very beginning, and consequently today there is something on which to follow up. I even believe that we should display this worthy position with noblesse, but more emphatically, not only toward the European Community, as has already been done several times, but also toward NATO. We cannot just limit ourselves to repeatedly declaring our desire to quickly become a full member, and not do anything else to achieve this. By doing this we would arouse the more-or-less justified impression that we are only interested in this alliance's umbrella of defense, without being willing to commit ourselves to anything, either within its framework or together with it. If we want anyone's help we must also offer something ourselves. I cannot imagine that in the near future there can be any interest shown in us if we do not now visibly acknowledge our share of joint responsibility for European affairs and do not make clear our determination to do something ourselves for peace, freedom, and security on our continent.

I think that our foreign policy should again be enterprising, but at the same time more effective. I think that we should actively share in the work of the UN and the CSCE, that we should again visibly join in the discussions on Europe's future, and that we should, on the basis of the Council of Europe, of which we will evidently become a member soon, and other similiar organizations, make it clear that respect for human rights, deference to the legal code and the conscious inviolability of human freedom are genuinly considered by us to be the axis of those values that we share with the West, and not just some kind of forced superstructure or decoration, the formal emphasis of which should ease our economic incorporation into the Western world. At the same time, in my opinion, we cannot renounce our joint responsibility for stability in Central Europe and our intrinsic interest in stability in the parts to the east of us, hoping that the Czech Republic can be quickly incorporated into western economic, political and security structures only by extricating itself from the enviroment which surrounds it and forgetting it would be a sheer illusion.

The West will hardly be interested in some kind of new promontory on the borderline of two worlds, and it is not in our interest to be a dangerous border for the western world, or even a buffer, beyond which is only something which is called, with some contempt, the East. I do not believe that we have to match our pace to someone else's, or allow ourselves to be tied to anyone, or be limited, or hide in the crowd in the hope that only in the crowd can anything be obtained. I think only that we cannot be indifferent to what is happening around us, that we are obliged to cooperate with our neighbors, carry on a constant political dialogue with them, exchange experiences and, as long as it is advantageous for all, coordinate our steps with theirs.

The democratic character of the state is judged always, and rightly so, by how the state can get on with its closest neighbors without making compromises as to its principles and its identity. Lack of regard toward anybody does not buy an entry ticket to anywhere.

I am sure I do not need to emphasise especially how important it is in this sense to maintain and develop all the friendly ties connecting us to our closest neighbor, the Slovak Republic. If we contribute through our efforts toward a peaceful development in Central and East Europe, then not only will we not put distance between ourselves and the West, we shall move closer to it. The feeling of overall responsibility which I have mentioned here several times, and which the troubled state of the world today calls for, should in my view be reflected in our foreign policy, too. Our geoposition is not jinxed. To the contrary, it is a challenge to which we have to specifically rise.

Esteemed Chamber of Deputies, in conclusion I would like to talk briefly about my interpretation of the constitutional and political position of the president of the Czech Republic.

The Czech president is not the chief executive or leader of the parliamentary majority. He is not an institution which the citizens have entrusted with decisive influence on state policy and its immediate execution in general and direct elections. These powers are vested in the government, which is controlled by the parliament. This does not mean, however, that the president is a mere formal decoration of the state. He is an indirectly elected constitutional official with a very specific task and position. As one who appoints the goverment, will under certain circumstances dissolve the chamber of deputies, and himself cannot be recalled during his period of office—high treason excepted—he should, in my view, above all, mediate in the continuity of the state power, mainly when ruling political forces change or a political crisis arises. He should therefore serve as a guarantee of political stability in the country, a representative of the identity and integrity of the state, a constant in the political system, its solid core, and the last recourse.

It follows from this constitutional position of the president that rather than be an author of specific political solutions, he should become a guarantee of their legitimacy, guardian of their scope and of the rules for their drafting; a guardian of political culture which surrounds the drafting. When performing his powers, the president must of course work closely with the government not just because many of his tasks must be cosigned by the prime minister, but also because his task is to respect the decision the citizens have made in the elections and therefore the policy that has ensued from the decision.

As for the parliament, I think that the right to return bills for a second reading should bring the president closer to the parliament and the whole legislative process. If both the president and parliament are keen not to see any bill returned, then they will have to get to know each other's views well before the bill is read. By signing a law, the president does not only pledge to comply with it—as he would where he does not have this right to return bills, but also states that he approves the law and is therefore able to stand behind it with conviction before the people at home and abroad. I interpret the right of suspensive veto positively, as a call for cooperation between the president and the parliament rather than an opportunity for confrontation between them.

I believe that it ensues from the constitutional position of the president that the president cannot behave as a political party, i.e., as one of the entities competing for political power. If possible, the president should not join the everyday political squabbles or even identify himself directly with any existing political party.

He should focus on topics that are systematic and of general values, i.e., on what in one or another way is linked to the essential existential issues of the state, its democratic identity and political stability.

He should use his influence cautiously. As somebody who is not dependent on the changing political moods of voters he should rather focus on long-term matters of general interest related to spiritual and moral values that form the basis of the state with its long-term prospects and its international prestige.

Ladies and gentlemen, I am sure that, together with me, you are aware of the special responsibility that lies upon us. We are introducing a new constitutional system of a newly formed state, we are laying foundations of a new political system. The links, relations, habits and rules that we endow on this system may predetermine its shape possibly for many long years and decades to come.

Hence, we are not only making decision on what content we will attribute to our functions and institutions and what shape we will imprint on our work but, to quite some extent, also to what content and shape will they have at the time when we will have long been replaced by our successors. This is a great responsibility, but at the same time an historic opportunity that you do not meet every day.

I wish all of us that we make good use of this opportunity, tha' we do not disappoint those who trust us and that we remain faithful to all the good resolutions with which we accepted our task.

Thank you for your attention.

Klaus Interviewed on State of Economy

LD2302211393 Prague Stanice Praha Radio Network in Czech 1746 GMT 23 Feb 93

[Interview with Czech Premier Vaclav Klaus by correspondent Musilek; place and date not given—recorded]

[Text] [Musilek] What made your visit to Slovakia an interesting one?

[Klaus] When I boarded the plane in Bratislava I asked myself and all the members of my delegation whether they really felt as if they had been abroad or not. Their answers were somewhat puzzling and ambiguous. As far as I am concerned I have to say—leaving aside the honor guard—when thinking about myself in a car driven through Bratislava's streets, perhaps I feel more as if I was abroad than I would expect. This is the feeling I brought with me back from Bratislava.

[Musilek] You signed some agreements. During your talks with Premier Meciar, did you achive any progress as far as financial issues which have not been solved yet—be it assets and liabilities of the Czechoslovak State Bank, Transgas, Cedok, or coupon privatisation—are concerned?

[Klaus] We have certainly progressed and our stands have been clarified. In some aspects they come closer to each other, in other spheres there are unfortunately still problems. However, I think there is no other way—it is not possible to communicate with each other via mass media, it is not possible to do it in a one-page letter. These things which are linked to the many aspects we shared in the past call for such talks. We will simply need to continue them.

I would like to tell the Czech public that the situation in Slovakia is not easy. It is not easy for the present political representatives and it would not be any easier for any other political representatives—I think it would be much more complicated for them. All the talks which have to be held are held taking into account Czech interests and the Czech position. Nevertheless, at the same time great attention has to be paid to the fact of what it can cause or not cause in Slovakia. This is a hard nut to crack.

[Musilek] Attention has been aroused in the past few days by a report that the talks between representatives of the IMF and the Slovak Government have been suspended because of disagreements on the devaluation of the Slovak currency. This was one of the problems of the Slovak Government that you talked about. Did you find out any more from the Slovak Government?

[Klaus] I would say that the talks with the IMF were interrupted for a month, but concerned more problems than just devaluation. I think that would be great oversimplification and I am not the right person to communicate these things to the public about these talks. But I think that was the first attentive look by this key international institution at Slovakia as such. And I think that the mission came to gather facts and information about Slovakia, to have a look around, to verify some facts, to return home and assess these facts and return with some other proposals.

So, the simplified interpretation that they did not agree about devaluation and thus went home—well, it is not really valid. The situation is much more complicated so that for Slovakia, devaluation is not the only possible and necessary measure. No doubt it will be necessary to take some other step. If devaluation solved everything in the world, if mere movement of the rate of exchange solved everything in the world, it would simplify matters for the economists and the politicians. More is involved.

[Musilek] As to our relationship with the IMF, luckily, we are quite well off. Moreover, the latest statistics confirm that the Czech Republic has indeed bounced back from the economic low point and is finding its ways toward partial enlivement. Despite this, I would like to ask: Which of the established values is, in your view, the most favorable and which, on the contrary, do not satisfy you?

[Klaus] All of the figures stated now by the Czech Statistical Office are significant in aggregate. If we single out any of them it is clear that any individual figure can easily be achieved at the expense of some other. And I think that the charm, the wit, or the positive aspect of it all is in the sum total, in the combination of inflation, unemployment, balance of payment, rate of exchange, state budget, economic growth, movement of industrial production, building industry, retail consumption, the way prices are developing, the way wages are developing, and so on. If I see a problem, it is—well, I know the public will not be happy if they hear this from me—but I think it is wages, because whoever reads this analysis of the Czech Statistical Office—and I declare that none of us has a better one, it is not that we have some secret figures of our own. That is not true. I have the same figures as the public. Well, the movement of wages last year by 22.6 percent upwards in the nominal values, that is, if inflation is 11 percent then 22.6 minus 11 is some 11.6 per cent—the real increase of incomes to the population in our country is an increase which we realistically have not earned, that is a redivision inside our country. It is that relatively, the population received more than somebody else and that somebody else is the sphere of enterprises. That is a very complicated matter, little analyzed, I think, in our country.

[Musilek] Mr. Prime Minister, you remember that we spoke on this topic about a year ago, maybe a bit more than a year, and this development here in essence is continuing. At that time you said that wage increases were too high. Can this be influenced somehow?

[Klaus] We want to have a liberalized economy and therefore at last year's major congress [words indistinct] for target figures for wage increases. But this year we have even completely abolished them. Only the government keeps in reserve the possibility that if movement is too sharp then it can do something about it. But in principle these target figures have been abolished.

Every enterpreneur, every enterprise, every union organization should, of course, know that everything adds up to one and that this is not a one-way game, and that excessive movements in wages lead on the one hand to inflation, and on the other hand to greater unemployment. So every participant in market relations must calculate and work out this equation well for himself. Simply, the higher wages are, the fewer employees there

are. Unfortunately, simple arithmetic works here. We know that it would be too complicated to maintain such a quick rise in wages and incomes for three consecutive years.

Klaus Discusses EC Membership With EBRD Head

LD2302204393 Prague CTK in English 1958 GMT 23 Feb 93

[Text] Prague, Feb 23 (CTK)—Czech Premier Vaclav Klaus and European Bank for Reconstruction and Development (EBRD) President Jacques Attali discussed the Czech Republic's candidacy for membership in the European Community and ways to help the process at their meeting here today, Attali told CTK.

Klaus and Attali also spoke about the economic situation in the Czech Republic, about inflation, recent developments in international investment, and relations between the Czech and Slovak Republics, he said. He declined to comment on whether they had discussed the possibility of devaluing the Slovak crown.

Attali said that he has great confidence in the Czech Republic's future, and that in terms of the development of democracy and a market economy, it is one of the best among the Central and Eastern European states. The main task of the government now is to stabilise peaceful economic relations with Slovakia and to further accelerate privatisation, he said.

As far as investment in the Czech Republic is concerned, in the coming months the EBRD wants to launch more than ten projects, which are now being negotiated, he said.

After the meeting, Klaus described the cooperation between the Czech Republic and the EBRD as very positive, and said that the Czech Republic is a quality partner for the bank.

He said that the EBRD is successfully finding its way into post-communist countries, and that the bank understands that the best method for doing this is not through investment, as the World Bank has done, but by engaging itself in nontraditional and atypical ways. An example of this, he said, is aid for a three-month protection period for companies facing bankruptcy.

Klaus said that he and Attali discussed trade problems between the Czech and Slovak Republics and the possibility of creating a Czech-Slovak Bank. This would be established under the auspices of the EBRD and could facilitate trade between the two states as the recently established Hungarian-Romanian Bank has done, he said.

Klaus' Involvement With Bank Council Denied

AU2302140193 Prague CTK in English 1837 GMT 20 Feb 93

[Text] Prague, Feb 20 (CTK)—In reaction to speculation around the appointment of the Executive Council of the Czech National Bank (CNB), the spokesman for Czech President Vaclav Havel, Ladislav Spacek, today said Havel appointed the Council on a proposal from CNB Governor Josef Tosovsky.

Under the Czech Constitution, the Council appointment need not be cosigned by the premier, and therefore the premier did not sign it, Spacek said.

CNB Governor Mr. Tosovsky submitted to the president a proposal to appoint five members of the bank Council, explained it in detail, and also supplied necessary documents. The president appointed all the five proposed persons, no other name appeared in the proposal, Spacek said in a written statement passed to CTK.

In reaction to an article published by the Czech daily LIDOVE NOVINY on Friday [19 February], its author Karel Kriz spoke about six people appointed as members of the Council.

Asked by CTK who is the sixth member, Spacek said it was Tosovsky who had been appointed before the president was elected.

Zieleniec Reacts to Dienstbier Statements

AU2302180393 Prague CESKY DENIK in Czech 20 Feb 93 pp 1, 3

[Interview with Foreign Minister Josef Zieleniec by Martin Danes; place and date not given: "We Ourselves Have To Do Our Job To Enter Europe"]

[Text] [Danes] In RUDE PRAVO last week there was an interview with former Czechoslovak Foreign Minister Jiri Dienstbier, who said that Prime Minister Klaus had no concept for foreign policy, while you have. You are reportedly in a difficult position, since you have to react to Klaus' ill-considered statements. Here, I have a perfect opportunity to ask you: Are you in a difficult situation, as far as Klaus in concerned, or not?

[Zieleniec] Along with assuming office last year, I prepared a foreign policy concept, which was approved by the government and the Foreign Committee of the Chamber of Deputies, that is, by the then Czech National Council. It is a concept that governs not only my work, but also the government's and the prime minister's. I think that people are paying too much attention to differences in rhetorics and too little to the real content and orientation of our foreign policy. Anyone who is observing the logic of what the prime minister, or myself, has done will understand that Mr. Dienstbier has grossly exaggerated these problems, which is his wish rather than reality.

[Danes] Jiri Dienstbier is reproaching us with conducting selfish foreign policy. According to him, we want to "enter Europe" on our own, while the West is reportedly of a different opinion. He said, specifically, that the NATO command considers it unacceptable that the Czech Republic would join NATO alone (without other Eastern countries). What opinions on that matter have you encountered?

[Zieleniec] The acceptance in a military defense alliance is a matter that is taken very seriously all over the world. We must realize that this means an obligation of a country to protect interests of another country, weapons in hand. This obligation would require, in extreme cases, that citizens of one country would have to give their lives to protect interests of citizens of another country. It is no wonder, therefore, that any discussion about a military alliance is a very delicate and responsible matter. This discussion has many levels, public and private. Mutual trust is very important for any military alliance. That means they must be convinced that if there is a need, the other country will fulfill its obligations. We have learned from our own history what unreliable partners mean for a military alliance.

This is why it must be absolutely clear that this alliance is not being established only because of a need at the moment, but that something more is involved, such as sharing common values and unconditional resolve to jointly protect these values. It is very important that we build their trust in our country. I am convinced that it is the same thing, with both NATO and EC: We must do our job at home to be accepted as a member of the NATO defense alliance. We must become a serious, convincing, and reliable partner. This may take some time.

I think that the answer to the question whether the Czech Republic can become a NATO member independently of other countries is clear. First, I have never heard an opinion saying that it cannot, and secondly I do not believe that it cannot.

[Danes] What is your opinion on the following alternatives: a solo trip to Europe, or a close cooperation within the framework of the so-called Visegrad group?

[Zieleniec] I believe that this is not the way to phrase this question. I do not suspect you of being its author, I have heard this question a hundred times. On the one hand, the process of our integration in Europe is a process of adjusting our country to European conditions by building an efficient and competitive economy—to avoid having to join Europe under such disadvantageous conditions as eastern Germany had to put up with. Second, it is a process of establishing a stable democracy of a European style. I believe that we meet the second criterion, and we are intensively and successfully working on the first one. It is another thing whether Europe will be prepared to accept us. Whether we will be accepted or not will not depend on how many times we go and knock on the European door. Responsibility is up to us; to rely on others would not produce the desired result. It is also obvious that organizing various pressure groups in various countries with the purpose of collectively knocking on the European door cannot be productive. Today, we know that it cannot be productive.

This is why I want to draw your attention to the fact that the question whether we want to join Europe alone or not is a wrong question. The main thing is our work; we cannot cheat here. Of course, we may exchange experience, we can cooperate in various manners within our region, and thereby improve the functioning of our economy and other spheres of our life. As far as our entry to Europe is concerned, however, everyone has to do his own job. I believe that those who are asking questions like yours do not understand that we cannot wait for miracles.

[Danes] Mr. Dienstbier also said in his interview for RUDE PRAVO: "Recently I met with Genscher in Rome, and we discussed the success of this treaty" with Germany. Civic Democratic Party Chairman Klaus criticized some aspects of the treaty only when it was being signed. Was the treaty a success or not?

[Zieleniec] First, I would like to say that we must work with the treaty that we have. We are happy that Germany accepted the continuity of the Czechoslovak-German treaty. This continuity was passed on the Czech Republic. To discuss a new treaty would be very difficult at the moment.

The problem, which was discussed at the moment the treaty was being signed, was whether it was possible to solve more matters in our favor in the treaty or not, and whether this was the most proper time to conclude the treaty. If you remember, the critics of this treaty—headed by the prime minister of today—did not criticize the treaty as such but rather the course of action that did not bring as many advantages as some other course of action would. For example, Poland requested the participation in the Two Plus Four talks (four victorious powers and two German states) before the reunification of Germany.

[Danes] Poland was invited to these talks because its borders were questionable in relation to the prewar borders, while there was no such thing on the Czechoslovak side.

[Zieleniec] Poland was invited because it had one bone of contention and demanded its final solution. It was not invited automatically but only after it made great efforts. We had another bone of contention, but we did nothing.

[Danes] Do you think we should have done something?

[Zieleniec] We should have tried it, at least.

[Danes] Even after the treaty was signed, the question of Germany's compensation to our victims of nazism had not been solved. Have the negotiations progressed, and have we received some specific German promise?

[Zieleniec] You have opened one of the issues the treaty could have solved, but it did not. Now we have to conduct separate talks, and we are in not a very good position to discuss these matters. Nevertheless, the German side promised during recent discussions to speed up compensation in a form of a publicly beneficial project, a project that would have some relation to the suffering that our people had to undergo during the war.

[Danes] Have you reached some specific agreement?

[Zieleniec] No, this was only a political promise, and our negotiators will discuss it specifically, now. We must take fast action, since this applies to people who are old and have been waiting for a long time for justice.

[Danes] Vaclav Havel, after he took the office of Czech president, adopted a positive stance on the idea of intervention in Bosnia. After your negative reaction, it seemed that between the president and the government represented by the foreign minister there were certain differences over the concept and power sharing. Have these problems been explained, or have you reached some kind of agreement?

[Zieleniec] We spoke at length about it with the president, and I believe that we reached agreement on many things. We also discussed other things. First, it is important to communicate so that our foreign policy becomes coherent and all institutions send identical signals abroad. We agreed on this, and I believe that there will be no problem with that.

[Danes] Are relations between you and the president better now?

[Zieleniec] My relations with Mr. Havel have always been good, and I believe that our starting discussion in the press was only a way to make our opinions clear, which will lead to very good cooperation.

[Danes] Recently, you visited Slovakia. During your visit, your Slovak colleague Milan Knazko had reservations about the fact that the Czech Republic took over the flag of former Czechoslovakia. How did you react to those objections?

[Zieleniec] First, I said that this was a resolution of our parliament, a resolution that had been adopted by a vast majority. So, this is a thing that cannot be changed. Second, I assured him that our taking over the flag was not directed against Slovakia. We all know that this was no malicious intention, but rather our effort to show our attitude toward this symbol—and to our past history—history that is understood differently here than in Slovakia. I believe Minister Knazko understood this.

[Danes] There is still controversy surrounding the awarding of the license for the former F1 channel to the CET 21 company. The Council for Radio and Television Broadcast allegedly asked the Foreign Ministry for its stance on the applicants for the license. Finally, the council made decision with the understanding that the government had no objections. Did your ministry adopt some standpoint?

[Zieleniec] Really, the Council for Radio and Television Broadcast demanded, through its chairman, Mr. Korte, that our ministry issue a standpoint on this problem. After we received the documents, we began working on it. Since the documents we received were terse, we began to search for some more documents believing that we had until the end of February, as Mr. Korte told a responsible official. At the moment in which the council awarded the license, our work ceased to have a purpose. We will wait until someone addresses us, then we will restart the work. This is a very intensive work, demanding that quite a lot of documents be gathered and analyzed.

[Danes] Does that mean that you have adopted no standpoint on the CET 21 company so far?

[Zieleniec] We have yet to adopt a stance on it.

January Consumer Prices Increase by 8.5 Percent

AU2302161193 Prague HOSPODARSKE NOVINY in Czech 19 Feb 93 p 8

[Report prepared by the Czech Statistical Office Department of Prices Statistics and Foreign Trade: "Development in Consumer Prices and the Cost of Living in the Czech Republic in January"]

[Text] Consumer prices increased by 8.5 percent in January, compared to December 1992. The most significant increases were recorded in public catering prices, by 15.4 percent, and in the prices for services, by 12.7 percent. Food prices increased by 8.2 percent, while the smallest increase was recorded in the prices of nonfood products, by 6.0 percent. The average index was largely influenced by the strongest groups—food and nonfood products.

The introduction of value-added tax and the consequences of its incorrect application and of speculative influences were also projected in the increased prices.

The largest food product price increases were recorded in milk and milk products, by 17.2 percent, while prices for meat and meat products, cereal products and confectionery, and beverages (alcoholic and nonalcoholic) increased by around 11 percent. Egg prices increased by 9 percent and the prices of fats, oils, sugar, and sugar products increased by more than 6 percent. Coffee prices, on the contrary, fell by 25 percent, and tea prices fell by 18.2 percent.

Price increases in most ranges of goods within the framework of nonfood products hovered between 2.4 percent and 6.6 percent. Only the prices of fuels, 16.2 percent, culture-related products, 12 percent, tobacco and tobacco products, 11.3 percent, and building supplies, 8.8 percent, increased more significantly.

In public catering, prices increased more rapidly in restaurant catering, by 15.8 percent, and in industrial catering, by 12.9 percent.

In services, prices increased most noticeably for administrative, notarial, judicial, and other fees and insurance, by 25.7 percent, while prices for recreation and health care increased by 22.3 percent. Prices increased by 13.4 percent in personal services; prices in the other services groups increased by around 10 percent.

The average annual increase in consumer prices (the average for the past 12 months) in comparison to the average for the previous 12 months was 11.2 percent and, in a long-term comparison with 1989, prices in January were 121.6 percent higher.

The cost of living in January (compared to December 1992) increased—in essence, concurrently—for employees' households, by 8.5 percent, and for pensioners' households, by 8.6 percent. The cost of living for farmers' households increased more moderately—by 8.2 percent—due to the higher proportion of nonfood products in which prices increased least of all.

Army Official Rules Out Involvement in Bosnia

AU2302175193 Prague LIDOVE NOVINY in Czech 20 Feb 93 p 3

[Interview with Major General Frantisek Vana, deputy chief of the Czech Army General Staff, by Jan Drazan; place and date not given: "Good Cooperation With NATO; Major General Frantisek Vana After the Brussels Talks"]

[Text] A meeting of the North Atlantic Cooperation Council (NACC) was held in Brussels this week. Apart from the 16 NATO member countries, the NACC, which was established in 1991, comprises another 18 countries from the former Eastern bloc. We asked Major General Frantisek Vana, deputy chief of the Czech Army General Staff, for information about the meeting.

[Vana] The main objective of the meeting was to prepare the April summit of the NACC countries' chiefs of general staffs. Our task was to represent the Czech Army and to assure our partners that we want to build on the good cooperation established between NATO and the CSFR. The alliance is generally considered to be the sole guarantor of security.

[Drazan] Could you be more specific about the course our cooperation with NATO has been taking?

[Vana] In the past period, the Czechoslovak Army achieved the most balanced cooperation with the alliance. For example, a major seminar was held at Merin devoted to the problems of mutual compatibility. Many Czech commanders are graduates of long-term courses abroad. Mutual talks are under way on air defense and air traffic issues. A workshop on the subject of military strategy and doctrine is to be held in Prague in late June. Last year all expenses were covered by NATO; this year other countries should also take part in financing the joint projects. No joint exercise in our country is being contemplated for the time being. One such exercise was held in Poland, and another one is planned in Hungary. We have been held up by the partition of the Army, for which we now have to draft a new concept.

[Drazan] What are the prospects of the Czech Republic joining NATO?

[Vana] That is a question of the distant future. The idea was posed at the meeting in Brussels that other countries should not be joining NATO, but that they should establish various associated coalitions, for example within the framework of the Visegrad group. For the time being we must do everything we can to move closer to the Western armies' standard.

[Drazan] Would the Czech Army participate in a possible NATO intervention in Bosnia?

[Vana] Probably not; specially trained armies would have to be deployed in such an intervention. NATO itself gives priority to political negotiations, with intervention being only an extreme option. Our corps operating in Krajina is the last federal unit. We are now waiting for an extension of the validity of the UN mandate for both republics or one of them. However, our Army would not become involved in possible direct combat operations anyway; at the most we would participate in logistical support.

Police Weapons Seizure Operation Supported

AU2302140493 Prague CTK in English 1955 GMT 20 Feb 93

[Text] Prague, Feb 20 (CTK)—Czech Interior Minister Jan Ruml today fully supported the police operation in which some 2,500 machine guns were seized in storage rooms of private firms in Prague and Ostrava, North Moravia, earlier this week.

The weapons were held unlawfully... the police acted in full accord with law, Ruml said on Czech Television tonight.

He stressed that the SA-58 machine guns are operational after readaptation. Some have changeable component parts, which makes it possible to put together of several pieces a functioning weapon, Ruml added.

Even if a single machine gun were capable of firing, the action was worthwhile, he stressed.

Ruml said that those keeping mass destruction weapons or their component parts, and the SA-58 machine guns belong in this category, can be prosecuted for the criminal offence of unauthorised armament.

Meciar, Belgian Premier Discuss EC Membership

LD2302173393 Prague CTK in English 1607 GMT 23 Feb 93

[Text] Brussels, Feb 23 (CTK correspondent)—The incorporation of the Slovak Republic into European Community (EC) structures and the agreement on associating the Slovak Republic into the EC were the main topics of the discussions held here today by Slovak Premier Vladimir Meciar and Belgian Prime Minister Jean-Luc Dehaene.

Dehaene said that his country, which will hold the EC chairmanship from July, wants Slovakia's new association agreement to be concluded as soon as possible.

Meciar told CTK that he spoke with Dehaene about coordinating the association process with the Czech Republic, as well as about several problems which have slowed discussions about the EC agreement, such as the Gabcikovo hydroelectric project, which, he said, is perceived to be a common affair of the Slovak and Czech Republics.

In the discussion, the question of possible increased investment by Belgian firms in Slovakia was brought up. Meciar said that he and Dehaene agreed to discuss this in more detail when Dehaene visits Slovakia. The date of his visit has not yet been set.

The development of the Slovak economy and opportunities for Belgian investors in Slovakia were informally discussed at Meciar's lunch with Belgian entrepreneurs and financiers.

Meciar, Knazko Disagree at District Assembly

AU2302184993 Bratislava HOSPODARSKE NOVINY in Slovak 22 Feb 93 p 2

[TA SR report: "Differences of Opinion Should Be Resolved Within the Movement"]

[Text] The effort to find a common platform in Movement for a Democratic Slovakia [HZDS] activity in the Poprad District prior to the third all-republic assembly—which will be held in Trnava at the end of March—characterized Saturday's [20 February] HZDS district assembly in Poprad. HZDS chairman Vladimir Meciar and HZDS deputy chairman Milan Knazko participated in the assembly.

In their report on the district committee's activity—and in the debate—the delegates referred to the increasing opposition to the HZDS in the Poprad District and also to the differences of opinion within the movement. A plea was made not to break up the movement but to stick together in the interest of resolving the problems affecting the regions and Slovakia as a whole—economic, social, and ecological problems.

The 90 delegates anxiously awaited the speeches by their two guests. HZDS deputy chairman Milan Knazko asked to speak first. He expounded on the goals of the movement, which was founded two years ago as an expression of the quest for openness and democratization. Citizens manifested a great deal of trust in it in the elections.

He stressed that the decline in the HZDS' authority concerns him. He pointed out that the differences of opinion, which should be resolved within the movement, have permeated—through no fault of his—society and found their way into the media. "Criticism of the Foreign Ministry's ability to function is merely a pretext. I am just as unacceptable to Vladimir Meciar as Professor Rudolf Filkus, even though the HZDS lacks economic expertise." He added that he does not think the HZDS should be a fuehrer-type of party. According to him, he also dislikes the intentional filling of all posts.

HZDS chairman Vladimir Meciar said in his speech that maintaining the state's course of operation under the current conditions is complicated. "I am not worried about the fate of democracy in Slovakia or within the movement. Milan Knazko's presence at today's district assembly is proof of this," said Meciar. He stressed that the HZDS has 74 votes in parliament, that is, a factual majority, but if the movement were to be polarized from within, it would have to enter into a coalition with the opposition. "What Knazko is pressing us into is political suicide," said Meciar. He said that the current composition of the apparatuses in the ministries is politically diverse, and therefore, the government must return more than half the materials submitted for redrafting. He added that the opposition wants to supervise the government and gain posts in the most senior supervisory bodies, but it is less willing to cooperate in resolving problems.

In another speech he referred to the necessity of stabilizing the value of the Slovak currency, because devaluation by 30 percent would lead to a 54-percent increase in prices, and many enterprises with a high proportion of exports would collapse. "Therefore, we have rejected the International Monetary Fund's recommendations. The loan it would grant Slovakia this year would in no way resolve the impact of devaluation. We will look for the necessary resources at home," said Meciar.

Slovak Deputy Prime Minister Roman Kovac and Minister for the Privatization of National Property Lubomir Dolgos participated in the HZDS district assembly in Martin.

Finance Minister Julius Toth was the guest of the HZDS district assembly in Vranov nad Toplou. During the debate, he responded to questions concerning the HZDS' internal problems and the current political and economic situation in Slovakia.

HZDS Deputy Chairman Augustin Marian Huska, who participated in the HZDS assembly in Zilina, stressed the importance of preparing for the forthcoming all-Slovak assembly.

Foreign Minister on Threatened Dismissal

PM1902170293 Rotterdam NRC HANDELSBLAD in Dutch 17 Feb 93 p 13

[Interview with Slovak Foreign Minister Milan Knazko by Frits Schaling; place and date not given]

[Text] [Schaling] You have not visited Brussels. Prime Minister Meciar has given advance warning of your dismissal and will go to Brussels himself next week. Are you not afraid that the cancellation of your visit will create a bad impression?

[Knazko] Naturally, a parallel foreign policy, independent of that of the Foreign Ministry, can never create a good impression. This will be seen as a conflict between the ministry and the government and something like that cannot have a good effect on relations between Slovakia and other countries. I am afraid that it will even have an effect on the flow of capital to our country.

[Schaling] What will happen if the new president dismisses you?

[Knazko] I will be dismissed. (Laughs) I think that it would be very unwise of the new president, if he has no good reasons. I reject the accusation that this ministry is the weak link in the government. I have invited the Foreign Affairs Committee of the parliament to investigate the ministry's activities since I have been minister, so that parliament can determine whether this ministry works well or works badly.

[Schaling] The argument that the ministry is not working very well has been firmly rejected by many in Bratislava. However, the fundamental program for foreign policy has met with opposition. Why is this?

[Knazko] The criticisms were not so much criticisms of the overall approach, but only of the fact that certain ministries had not been kept well informed. I have made additions and held a seminar for representatives of all the opposition parties and I have also briefed other institutions, such as churches, universities, and the media, on my policies. I want the overall approach to be supported not only by the government, but also by a broad base in society.

[Schaling] Abroad there is the impression that there are two currents in Slovakia's foreign policy: one directed toward West Europe, and the other to the East.

[Knazko] Slovakia wants to be integrated into the security and economic community of the democratic countries of West Europe. If we are viewed in this way, I do of course want good economic cooperation with the countries of the East and to work together with forces in them that are working for pluralist developments.

[Schaling] Nevertheless, many people see Slovakia falling into the old communist sphere of influence again.

[Knazko] It is of course possible to hear things to this effect, but we will do everything possible to show that they are incorrect.

[Schaling] How do you view relations with Prague?

[Knazko] Prague is our most important partner. We are even committed to coordinating our foreign policy with that of the Czech Republic in certain respects because we are the heirs of the Federation and are jointly represented on certain bodies. This is unavoidable in connection with the treaty of association with the EC. We also coordinated our accession to the United Nations and the CSCE.

[Schaling] Are bilateral relations with Hungary suffering beacuse of the position of the Hungarian minority in Slovakia?

[Knazko] Certain problems were created artificially, but we hope that everything will be put back on the right lines. This also applies to minorities policy. Very inaccurate arguments are being used in the debate about minorities and that is why we are preparing a project in collaboration with the Council of Europe: a comparative study of minorities in Romania, Slovakia, Poland, but also in Hungary, so that it will be possible to look at Slovak policy in the context of the policies of the surrounding countries. We want to prevent inaccurate arguments from being used. I would be happy if these myths about the repression of the Hungarian minority could be shattered. Slovakia is the only country in which the Hungarian minority is on the increase. After World War I 400,000 Hungarians were left behind in Slovakia, and a large number of Slovaks in Hungary. Now there are 500,000 Hungarians in Slovakia, but no more than 9,000 Slovaks in Hungary. From these figures it is clear how minorities policy is pursued in the countries concerned.

[Schaling] When will Slovakia be ready for membership of the EC and NATO?

[Knazko] It does not depend on Slovakia, but on a very large number of circumstances that are as yet unknown. It is a matter of many norms coming closer together. We would like to do a lot in the NATO's cooperation council. But I would not dare to predict when we can become a member of NATO. It depends largely on whether the EC sees the importance of our becoming a member and this interest would have to take the form of real cooperation, of investments. The level of these investments would also determine the point at which we could become a member.

[Schaling] Are you disappointed with Western investments in Slovakia?

[Knazko] "Disappointed" is too big a word, but I would like to see interest increasing somewhat. Of course we have to create the right conditions for such investments, particularly in the area of the banking system and the closing of loopholes in legislation. I will do everything I

can to remove the distrust as soon as possible and to develop a taxation and banking system which links up with that in Western countries.

[Schaling] You have always hammered away at the notion that Slovakia's image must be improved. However, the impression is growing ever stronger that somewhat authoritarian features still stick to Slovak society.

[Knazko] Slovakia's image is a reflection of its political realities, among other things. For this reason it is my view that domestic conflicts should not be resolved in an authoritarian or power-oriented fashion. I try to work against that type of solution because I realize that this could seriously damage our interests abroad.

Kovac's Election Seen as Victory for 'Mediocrity'

AU1902144393 Prague TELEGRAF in Czech 17 Feb 93 p 5

[Commentary by Peter Schutz: "106 Votes for the Most Passable; Michal Kovac Is Slovak President"]

[Text] On Monday, 15 February 1993, 106 votes of National Council of the Slovak Republic [NR SR] deputies decided that Movement for a Democratic Slovakia [HZDS] candidate Michal Kovac, former chairman of the CSFR Federal Assembly, has become the first president of the independent Slovak Republic. This put an end to one and a half months of interregnum, the negative aspect of which was not so much the very fact of the highest constitutional post being vacant as the tough power struggle both among individual parties and within the HZDS and, in part, also within the Slovak National Party [SNS], which traumatized public opinion, escalated tensions among individual key players, and diverted the parliamentary parties' attention and energy away from acute problems, especially in the economic and social spheres.

The need to fill the vacant peak in the triangle of executive power, legislative power, and president and the fiasco of the first election round manifested themselves in a psychosis of time pressure, which turned out to be a trump card in Michal Kovac's hands. One week before the election it already was apparent that, this time, supply and demand would not fail to meet, that the barter of the presidential office for other posts taking place behind the curtains of party secretariats would yield the desired effect, and that the HZDS, SNS, and the Party of the Democratic Left would finally agree on the market value of the presidential post. The atmosphere of the last phase of this bargaining was undeniably eased by the "illness" of Vladimir Meciar, who was missing for a week. In due course—when new ambassadors and supreme control office and state administration officials are appointed, and, possibly, during the first government reorganization—we will learn specifically who received what and how much.

Everyone, including the 106 deputies who voted for the sole candidate of the second round, is likely to agree that there is hardly anything from which Michal Kovac is further away than the notion of an ideal president. He cannot and will not be a dignified partner for his Western colleagues. He neither comes close to the caliber of Vaclav Havel nor does he enjoy a reputation similar to that of a Lech Walesa or Arpad Goncz at the time of their election. It may be symptomatic that the one person whom he perhaps matches is Algirdas Brazauskas, by no means coincidentally a fellow ex-communist, who was elected president of Lithuania the same day. The search for and election of the Slovak president—and I am thinking now of all the candidates who could be seriously considered, not just of Michal Kovac—made clearly visible the profound crisis of personalities besetting Slovakia, permitting a look down to its very bottom.

The criteria determining Kovac's nomination were not his human and political qualities, that is, his aptitude for performing the high-level office, but the chances of his candidacy being passed by parliament. In view of the very nature of the dominant HZDS, which had come about as a heterogeneous conglomerate of individuals linked by the unifying principle of craving for power, all projects providing for a bipartisan president were illusory and laughable. The idea that this movement would forgo the highest position of power was unimaginable.

It is therefore inappropriate to evaluate Michal Kovac according to criteria used for ideal or optimal presidents. He simply turned out to be the only option in the given situation, even from the viewpoint of the personnel situation in the HZDS where somewhat more suitable types could be found. Knazko is more representative, Filkus more intelligent, and Zelenay more articulate. Michal Kovac's presidency can be perceived as the inertia of the socialist cult of mediocrity. It is by no means coincidental that the first nominee was his even more mediocre namesake, Roman, and that, in the event of Michal Kovac's failure to get elected, the HZDS would with a probability of 90 percent nominate for the third round another classical prototype of mediocrity—NR SR Chairman Ivan Gasparovic.

It goes without saying that the process of counterselective choice within the HZDS was firmly in the hands of Vladimir Meciar. If there has to be a president and if Meciar did not want to become president himself, it was in his innermost interest not to heave into the highest position in the state someone who could be his worthy contender. The relationship between Meciar and Michal Kovac has been asymmetrical from the very beginning. Nonetheless, the question arises whether Kovac's promotion to the post of president might not fundamentally modify this unequal relationship shaped over years. It needs to be realized that, with the election of a president, Meciar really becomes only the second man in the state. All ties of subsidiarity and even Kovac's psychological fixation on Meciar might become quickly transformed into a relationship of a completely new quality. If this really happened, the dynamism of movements on the unstable Slovak political scene would receive another, unexpected impulse with possibly unforeseeable consequences.

From the viewpoint of the possibility of a rival power center emerging at Bratislava Castle, one piece of information that has leaked from parliamentary lobbies becomes immensely interesting. One part of the HZDS apparatus had supposedly been preparing material designed to discredit Michal Kovac, material that was to be used against him when the decision on the movement's candidate for the first round was made. If, God forbid, these materials have a real basis of evidence, then Meciar has in his hands a truly effective safeguard depriving Kovac of any appetite for power clashes.

There is, however, one piece of "compromising material" against Michal Kovac, the existence of which is beyond doubt. It is the tape recording of his anti-Semitic remark about the U.S. millionaire Soros, made at a meeting with district office chairmen in Kosice, which I have already mentioned twice in TELEGRAF. Of course, at that time the author of the remark was only a presidential candidate. Today he is president. Although his statement remained absolutely without response in Slovakia, I do not suppose that it also went unheeded abroad. Viewed through the prism of his statement, I have the feeling that, even though the fact that Slovakia has a president may help its image, Michal Kovac himself is unlikely to be of much help in this regard.

Koruna Devaluation Opposed; Government Criticized

AU2302183793 Bratislava SLOVENSKY DENNIK in Slovak 22 Feb 93 p 2

[TA SR report: "The Slovak National Party Against the Slovak Government"]

[Text] Bratislava—"It seems to the Slovak National Party Central Council [SNS UR] Presidium that the Slovak Government's current activity is insufficiently coordinated," said SNS Deputy Chairman Anton Hrnko regarding the outcome of this body's meeting in Cadca. He also said that the ministries perceive their missions in a narrow departmental manner without communicating with each other or appreciating their impact on society. The SNS UR Presidium does not identify with the view that the only way out of the complicated financial situation is to devalue the Slovak koruna. The psychosis deliberately whipped up—first and foremost—from abroad about this issue is not aimed at resolving Slovakia's payment problems, but at reducing the prices of Slovak semifinished products and raw material exports, mainly to the Czech Republic, and at preventing Slovak imports of finished products and technology. The SNS leadership rejects the principle of across-the-board restrictions, but does not discount the possibility of their tactful and selective implementation in the event that the monetary situation worsens.

Because the legislative situation within the enterprise sector has not been resolved, the SNS UR Presidium has recommended its deputies in the National Council of the Slovak Republic to speedily initiate the submission of amendments to the laws in this sphere as it considers the entrepreneurs' demands to be justified.

Finance Minister Rejects Devaluation Plans

LD2302121293 Prague CTK in English 1122 GMT 23 Feb 93

[Text] Bratislava, Feb 23 (CTK)—According to an interview in today's SLOVENSKY VYCHOD daily, Slovak Finance Minister Julius Toth categorically rejected the notion that the government plans to devalue the Slovak currency.

Toth told the east Slovak daily in Kosice that the devaluation would result in higher prices for Slovak consumers and in the discrimination of Slovak exports. The maintaining of the convertibility of the Slovak crown depends on many factors, not only on cooperation from the International Monetary Fund, the minister stressed.

We have two options— I do not suppose that we can radically increase exports because we do not have more outlets. But we must reduce imports by imposing anti-imports measures during the next several months, Toth stressed.

The minister then mentioned measures that were being prepared by the Slovak Government. These include an import customs surcharge, an imposition of better fiscal discipline and the already implemented provisions for the allotment of hard currency to Slovak businesses for their foreign payments.

Economist Urges Protectionism, Not Devaluation

AU2302081193 Prague LIDOVE NOVINY in Czech 20 Feb 93 p 3

[CTK report in the "From Slovakia" column: "Devaluation of the Koruna Would Probably Raise Prices"]

[Text] Bratislava—A devaluation of the Slovak koruna would raise the price level 50-54 percent, according to Hvezdon Koctuch (Movement for a Democratic Slovakia), chairman of the National Council of the Slovak Republic Economic and Budget Committee. As Koctuch told Slovak Radio, he sees a way to maintain the Slovak koruna's current exchange rate in introducing preferences for exports to hard currency countries, in anti-import surcharges, particularly for consumer goods, and in setting import quotas. He added, however, these measures would have to be explained to the GATT contracting parties. It would be necessary to stress to them their temporary nature. According to Koctuch, the import surcharges should be selective in nature—that is, they should be imposed only on designated types of merchandise. According to Hvezdon Koctuch, levying

those surcharges on imports from the Czech Republic would not necessarily bring about the extinction of the customs union between Slovakia and the Czech Republic, provided that this will happen on the basis of mutual agreement.

Economy Minister Views Pressing Problems

AU1902135793 Bratislava NARODNA OBRODA in Slovak 17 Feb 93 p 9

[Unattributed report in the "Monitor" column: "Showing What We Can"]

[Text] What are the main priorities of our monetary policy after the introduction of the Slovak koruna, and what will have to be done?—This is what NOVE SLOVO asked Economy Minister Ludovit Cernak.

[Cernak] Our number one priority is the convertibility of the Slovak koruna, our number two priority is its exchange rate. It is no secret that some believe—IMF, in particular—that devaluing our currency would help our economy. Every economist knows that devaluation is a general measure, but it has an export-stimulating effect. It is interesting that experts from the World Bank believe that the exchange rate should change only after our trade and payment balance is thoroughly evaluated. Moreover, in the months to come, it will be necessary to gain the confidence of international financial circles, who are favorably disposed toward us, but who for a certain period of time will closely follow political and economic developments in Slovakia. That is, first, we must show what we can do to gain their confidence. That is why I will fight in the government against such interventions as rationing of convertible currency, or a protectionist policy. We cannot close ourselves off here with our problems, if we want to open ourselves to Europe. We must fulfill the obligations that follow from that.

At a Furious Pace

[Cernak] It would be difficult to blame foreign countries for the destabilization of Slovakia. We ourselves are contributing to this destabilization. The prime minister denies statements of his ministers, and disinformation is being provided from various independent sources. The government echelons give the impression of not being unified and consistent.

[NARODNA OBRODA] Is it intentional or is it incompetence?—this is what SLOVENSKY NAROD asked one of the involuntary protagonists of this game, Economy Minister Ludovit Cernak.

[Cernak] I am sure that all these things are happening because we are working at such a furious pace. We have no time to organize our work professionally. The problem is that information is being withheld and distorted—withheld from reporters. New opportunities are being created for fabrications and speculations, which distort the plain reality. Moreover, there are controversial statements by specialists and members of the government. They give their own opinions in the government's name, and others interpret them in their own way. In my experience the worst thing is to be without information, and, in such a case, it is only a step toward inadequate reactions.

Health Care Issue of Most Concern to Citizens

AU2302183193 Bratislava PRAVDA in Slovak 20 Feb 93 p 3

[TA SR report: "What Concerns Slovak Citizens?"]

[Text] In a public opinion poll conducted in January, one in two citizens described health care as an issue to which the republic's supreme bodies should pay considerable attention. This is apparent from the findings of the Slovak Statistical Office—a public opinion poll that at the end of January asked 1,257 adults what concerns them most. According to the poll, 49 percent of respondents consider health care to be an issue to which it is necessary to pay considerable attention. The economic situation concerns 48 percent of the population and the citizens' declining standard of living concerns 42 percent. A further 32 percent rank protecting citizens from crime in first place; 31 percent are concerned about employment; 27 percent are concerned about the poor and socially dependent; 17 percent are concerned about making Slovakia more visible in the world; and 14 percent are concerned about the environment. Twelve percent are concerned about the development of small and medium-sized enterprise; 6 percent are concerned about the Romany issue; 5 percent are concerned about the organization and operation of the state administration; 4 percent are concerned about the creation of the Slovak Army; 3 percent are concerned about ethnic issues; and 1 percent of citizens are concerned about other things.

Jeszenszky, Secretary Christopher Exchange Letters

LD2302163493 Budapest Duna TV in Hugarian 1500 GMT 23 Feb 93

[Text] The United States hopes it will be able to maintain close links with Hungary in connection with the south Slav crisis. This was contained, among other things, in the letter U.S. Secretary of State Warren Christopher addressed to his Hungarian colleague. In his reply Geza Jeszenszky noted with satisfaction that the new U.S. Administration devotes great attention to the situation of the Hungarians in Vojvodina. At the same time he expressed his hope for the full implementation of the adopted UN resolutions. Hungary, for its part, has fully observed the resolutions of the world organization, in spite of the fact that they have caused considerable losses to Hungarian firms as well.

Goncz Views Visit to Malaysia, Thailand

LD2302215193 Budapest Kossuth Radio Network in Hungarian 1730 GMT 23 Feb 93

[Excerpts] After visiting Malaysia and Thailand, President Arpad Goncz is home again. He arrived home yesterday evening. Evelyn Forro spoke to him during his journey.

[Forro] After the eight-day visit to Thailand and Malaysia, President Arpad Goncz summed up his experiences to Hungarian journalists. On behalf of Hungarian Radio, I asked him to what extent the south Slav crisis has influenced Thai and Malaysian investors in their intention to invest in Hungary.

[Begin recording] [Goncz] I did not feel that they consider us a part of the crisis zone. It was mentioned in both countries that we are surrounded by turbulent events. It was not said by me but by my conferring partners, and it is obvious that it was said on the basis of the reports of their embassies there and on the basis of their own experience. Hungary was not listed as part of the crisis zone. [passage omitted]

[Forro] You have mentioned several times that Hungary would like to be a gateway for Southeast Asia in Eastern-Central Europe. I wonder whether we could rather be a gateway to the East, since they can get into the West easily.

[Goncz] They are further away from this area than we are, that is, if they can get through us by joint ventures into the Western market, it makes the situation of a given company much easier. Here is the association membership. The Suzuki company and others either would not have come to Hungary if...[Goncz changes thought] I do not think that Suzuki thought that we would buy all of its products. [passage omitted] [end recording]

[Forro] Arpad Goncz confirmed that Hungary's role as a bridge is not a slogan at all.

[Begin Goncz recording] First, the association membership in the EC is a positive fact. The other fact which can also be characterized as positive is that there will never be a vacuum in the place of the former Soviet Union—a mass of 200 million people must be taken into consideration there. The level of demand, which will increase one day since it is badly supplied, that is, its market potential will increase with the extent of its development, will be unbelievably great sooner or later if we consider their natural resources. [passage omitted] [end recording]

Parliament Votes on EC Accord, Danube Protest

LD2302192393 Budapest MTI in English 1902 GMT 23 Feb 93

[Text] Budapest, February 23 (MTI)—Parliament on Tuesday [23 February] adopted resolutions on implementing the Hungary-EC Association Accords and criticising unilateral diversion of the Danube by Slovakia as against international law.

Under the EC resolution, passed unanimously, the government will have to submit a report to parliament by 31 March about implementing the accords, and detail the implementation of market protection regulations. Also, within six months of the accords coming into effect, the government must inform parliament on the implementation's progress and provide an annual report on the EC.

The Danube document reminds parliaments of the world that by diverting the Danube, Slovakia, and its legal predecessor Czechoslovakia, committed an unprecedented violation of Hungary's territorial integrity and broke several international treaties.

The resolution says that because of the diversion, for 30 km of the old riverbed, water volume is down four fifths, preventing navigation, causing environmental damage, and jeopardising subsoil freshwater supplies to several million people.

The resolution goes on to say it is clear that internationally Slovakia wants to preserve its fait accompli until a decision is made by the International Court of Justice. Hungary's parliament therefore calls upon the world's parliaments to support Hungarian efforts to settle the problem in a way acceptable to both sides.

The resolution was passed with 192 votes for, one against, and 17 abstentions.

AFD, Young Democrats To Discuss Cooperation

LD2302184693 Budapest MTI in English 1739 GMT 23 Feb 93

[Text] Budapest, February 23 (MTI)—Alliance of Free Democrats (AFD) members responded irritably to Young Democrats noting the AFD approaching the socialists instead of seeking a liberal coalition, Young Democrat leader Viktor Orban told MTI on Tuesday [23 February]. Nevertheless, Orban expects the talks to be calm and fruitful.

He declined to respond to AFD chairman Ivan Peto hoping Orban's annoyance would leave AFD-FYD [Alliance of Young Democrats] ties unaffected and ready for a more strategic, long-term meeting for the two parties.

On Wednesday, the two liberal parties will try to find common ground on current political issues, and perhaps ways to cooperate in the run-up to the 1994 elections and afterwards.

Under a FYD proposal, the parties are expected to talk about setting up a goodwill committee, to mediate in debates between the parties' local branches and local government groups.

Results of the talks will be made public at a press briefing on Wednesday afternoon.

Smallholders Party Head Views Domestic Politics

AU2302154393 Budapest MAGYAR HIRLAP in Hungarian 20 Feb 93 p 9

[Interview with Jozsef Torgyan, national chairman of the Independent Smallholders Party, by Dezso Pinter; place and date not given: "I Fanatically Believe in My Mission"]

[Excerpts] [Passage omitted] [Pinter] Parliamentary speeches and proposals, speeches at mass rallies, and press statements indicate that you are again on the offensive. According to the views of many people, you use the tools of a surrounded soldier who wants to break out. In what direction?

[Torgyan] You call this an offensive; I call it a long march. Though it might not sound very pleasant for many people, I find this expressive. I have started a long election campaign, and this will hopefully lead to the election victory of the Independent Smallholders Party [FKgP]. We have virtually been banned from radio and television; the behavior of the newspapers, compared to their previous very antagonistic role when they deliberately changed the facts, has changed to a certain extent, but our views do not really reach the public. The only methods that can lead to results are the ones that were used by Peter Pazmany [19th century scientist] during the Counter-Reformation when he sent his missionaries throughout the country. I have chosen the same task for myself in Hungary at the threshold of the third millennium.

[Pinter] To what faith do you want to convert the electors?

[Torgyan] Certainly not to the faith of politics that excludes. The Christian National Union is the name of the movement we initiated, but I note immediately that one of my first duties was to talk to the former inmates of Jewish forced labor camps. I decided to meet with the religious leaders of Hungary. I want to get a better knowledge of the life of the churches and religious people because I know that it is impossible to achieve the goals with people who are in a moral crisis or depression.

[Pinter] What forces participate in the Christian National Union?

[Torgyan] We are integrating the Christian national movements one after another. We have so far made preliminary agreements with about 15 organizations, including very significant forces outside parliament.

[Pinter] What kind of political and social entry are we to expect? What are you trying to achieve through the movement of union within the foreseeable future?

[Torgyan] The initiative was explicitly launched on the basis of strategic considerations. Although the Hungarian Democratic Forum [MDF] swept its problems under the carpet, in our view, an explosion is unavoidable in the MDF. Istvan Csurka quickly blew his horn, took his troops into battle, and then rushed away to the bathroom; however, some of the forces that have been following him so far will sooner or later leave the MDF. They will turn toward us and turn away from the governmental power that, rather than implementing a Christian national ideology, preserved the communist power in Hungary.

[Pinter] Can I call these forces right-wing?

[Torgyan] I definitely protest this! I am in favor of a peoples' party approach. Today, to win first place in elections in Hungary, we cannot degenerate into a party of a social strata. To achieve first place, we need to represent some kind of a center view. [passage omitted]

[Pinter] Parliament does not show a great willingness to accept your views. Does this make you lose your confidence?

[Torgyan] Nonsense! This parliament is unsuitable for a number of reasons. It is too big, considering the size of the country, and the elements of legislation by ministries and by committees are mixed up in it. It would have been worthwhile to accept my proposals on the parliament that would also have remedied these problems. As for its political direction, the structure of this parliament is bad, it is professionally unfit, and the majority of its members are "undereducated" in many respects. It is by no accident that the Hungarian people have turned against this parliament that is beginning to lean toward a parliamentary dictatorship. The untalented government is increasingly relying on the parliamentary voting machine, and the situation mostly resembles the parliament of Mussolini.

[Pinter] Do you think that your comparison is excessive? Do you think that you are considered unfit for society precisely because of these kinds of statements? Is it time to be more precise in the use of terms?

[Torgyan] In my view, after 45 years of state party activities, the Hungarian people and the peoples of the neighboring countries have the right to learn the facts, to learn what prevents the establishment of a multiparty democracy and a welfare society in Hungary. The country is being robbed before our eyes, and the most flourishing branches of industry are being destroyed. [passage omitted] The ransacking of the villages was completed by 31 December 1992. The chairmen of former agricultural cooperatives, party secretaries, and their companions were given parts of the businesses worth 5 or 6 million forints while people who worked there, who created the riches by working day and night, were given shares worth 100,000 to 150,000 forints. [passage omitted] Honest people who have been robbed of their things see that others are acquiring incredibly large properties, not through their capabilities or their industrious nature inherited through the generations but through dishonesty and as a result of unscrupulously serving the powerful. Other than a few exceptions, these people come from the former nomenclature and the new power elite. [passage omitted]

[Pinter] Who are your supporters in Hungary?

[Torgyan] The provinces—and four-fifths of the country's population lives outside Budapest. Out of those in the provinces, mainly people employed in agriculture and the food-processing industry are the basis of the FKgP. A large section of these people were removed from their land during the communist era and forced into factories. Some 80 percent of the labor force and a large section of the middle classes come from this background. Our support is becoming broader all the time. If you do not believe me, I invite you to a meeting and you will see that, for example, an increasing number of students follow me. I have no doubt that we can turn into a broad-based aggregate party whose members join forces to build a new society.

[Pinter] Do you see a chance to create unity among the smallholders?

[Torgyan] As long as there is a power that wants to hurt Hungary's oldest party that has the biggest mass basis through dishonest methods and as long as it is possible for 10 people to form a party, the real conditions will not exist. The powerful will always find and support nine or 10 people who can announce that they have set up a smallholders party. As long as this power prevails, it will always be asserted through radio, television, newspapers, and the embassies that the political weight of let us say 10 people is the same as that of the FKgP that already has a million supporters. [passage omitted]

[Pinter] What results do you expect at the elections?

[Torgyan] In 1994, a smaller result will count as a much bigger result than in 1990; therefore, it will be much more difficult for everyone to win a mandate. Nevertheless, the FKgP can win the race. [passage omitted]

New Army Intelligence Office Chief Appointed

LD2402132193 Budapest MTI in English 1141 GMT 24 Feb 93

[Text] Budapest, February 24 (MTI)—Brig. Gen. Lajos Fodor has been appointed the new head of the Army Headquarters Staff Military Intelligence Office (AHSMI) by the government today.

Fodor, who takes his new office March 2, was previously land forces command deputy commander in Szakesfeharvsr.

Current AHSMI commander Janos Kovacs will be honorably discharged from his post March 1. Kovacs received another appointment.

Walesa Gives Interview for Bulgarian Paper

AU2402095793 Sofia VEK 21 in Bulgarian No. 7, 17-23 Feb 93 pp 1,5

[Interview with Lech Walesa, president of the Republic of Poland, by special correspondent Samuel Levi, at the Belweder Residence in Warsaw, on 15 February 1993: "On Decommunization in the Way of Thinking"]

[Levi] Mr. President, Bulgaria and Poland have good relations of long standing. Recently, however, certain problems have emerged in connection with entry visas for Bulgarian citizens. How do you see the future of our bilateral relations?

[Walesa] In the first place, I would like to say that we have cooperated in the economic and political sphere for the last 50 years, so that we depend upon each other to a certain extent. Such relations should not be imprudently severed, because it would affect the economic situation in both countries. We should cooperate in all possible spheres. I have in mind a higher level of technologies and technical standards in particular. We should search for new areas of joint work which should be to our mutual advantage. I am in favor of open borders between states. Nevertheless, if our relations continue to develop in a disorganized manner, it could damage both countries. Hence, we should find a solution that should not damage either side. It is necessary to adopt decisive measures in connection with the visa problem, because the present situation is harmful. Naturally, neither of our countries can settle the problem single-handedly. We should seek mutual consensus. The current situation is very chaotic as regards uncontrolled travel. I think that our current meetings are likely to reach a compromise aimed at settling the problem. We do not intend to close our borders, but if we fail to find a solution, there is no other way out.

I am confident that we will reach a compromise solution, but there should be no more people begging in railway stations and on trains. This is inadmissible. In addition to this, we also come across crime, which we cannot permit and which we shall try to prevent.

[Levi] Does this mean that you intend to introduce a visa regime?

[Walesa] I would not like to go into detail as regards specific decisions. This is within other people's jurisdiction. I would only like to avoid disorder.

[Levi] The question of decommunization is a crucial problem for all countries in Eastern Europe. It is part of the legislative work in both the Polish and the Bulgarian parliaments. You, along with other Eastern European statesmen, are accused of trying to prevent the adoption of such laws. How do you view the process of decommunization?

[Walesa] It is the most elementary thing to say that the Communists, or we, East European statesmen, are trying to prevent this process. I am all for decommunization! However, I mean a kind of decommunization that originates from our way of thinking. It should begin in our own hearts and minds. The word "communism" is incorrectly applied. Everyone puts his own meaning on this word. As long as we do not specify the meaning of this term, we shall never know what we are talking about. Communism in the economic sense means state-owned production. This is followed by communism in exercising power. What are we rejecting today? Only after answering this question, will we understand in which spheres decommunization should be promoted.

While we are talking about decommunization, we fail to realize that every one of us is strongly influenced by the communist past. Even the struggle for decommunization is communist in a way. In a democratic and pluralistic state everyone has the opportunity to work and preserve his identity. Every kind of militant struggle is, in the manner it is waged in both our countries today, part of the communist inheritance.

[Levi] Yes, this is a view shared by some groups of people in our country as well, but how should we proceed?

[Walesa] I am more pragmatic. I could explain my view in the following manner: People who have worked together for the last 50 years have gotten to know each other well. Of course, they are likely to understand each other more quickly and to reach more prompt solutions. Despite the fact that they [the Communists] are not formally organized today, they are still better organized, while our organization is still weak or non-existent. Our methods of exercising power are less effective. To put it briefly, we cannot expect people to change overnight. This is how I assess the current situation. I repeat my support for decommunization, but this process should be better organized and we should find more effective solutions. This is the problem of decommunization, in my view.

[Levi] Mr. President, you developed your thesis about an Eastern European NATO. How do you see its existence under the conditions of unsettled borders between the republics of the former USSR, and of former Yugoslavia, and last but not least, under the circumstances of extremely complicated ethnic and minority problems in that part of the world?

[Walesa] At the time I submitted this proposal things were still peaceful in Yugoslavia, and Czechoslovakia was still one state. As a pragmatist, however, I realize that there are no vacuums in political life. Two blocs that spied upon each other existed in the past. As soon as one bloc disintegrated, there was nothing to bind us together any more. Nevertheless, grave economic problems emerged at the same time, which made the situation very dangerous. Hence, I tried to launch a new idea, or at least a new trend. The idea was to join NATO and therefore, I called our future organization NATO-2. The idea was to achieve integration with NATO, namely collective

security for Europe. I called this hypothetical organization NATO- "2" because NATO did not wish to admit us. It was a good idea, but the future organization needed a statute. I submitted a few basic items that should have been included in the draft project. The first item implied that borders should remain unchanged. The second stipulated that all problems should be resolved by peaceful means. The third item required that the statute should be strictly observed, and that nuclear weapons should be handed in. I proposed a few more items that should have been included in the draft statute. Naturally, our hope was to join NATO. Our plan was by no means likely to threaten the Western bloc and NATO could not have distanced itself from us, since the last item envisaged that nuclear weapons should be handed over to NATO, and thus the latter would have admitted us. This would have been the appropriate way for us to proceed toward NATO membership without any threats. Perhaps, the disintegration of some countries would have been avoided in this manner, and everything would have been more peaceful and more safe. I would not like to insist that my ideas are perfectly correct. Some internal problems did exist, as a matter of fact, but it was just an idea I launched. Naturally, it was not my objective to restore the Warsaw Pact. If anyone did not wish to hand in his nuclear and chemical weapons, he would simply not have been allowed to join us and could not become a member of NATO-2.

[Levi] In your view, how should relations with the countries of the former USSR develop? Actually, those parts of the world still represent a very large market, but are marked by excessive inflation and instability.

[Walesa] Yes, this is indeed the case. We have problems in this respect and they are likely to exist also in the near future. Nevertheless, we should not forget that we are linked with the former USSR by 50 years of cooperation. Revolution is possible in the political sphere, but changes in the economic sector are a different matter. Hence we should pursue our cooperation today and in the future. Today it is a necessity, while as far as the future is concerned—it is a matter of common sense. Naturally, such a cooperation should be solely based on partnership and mutual advantage. You asked me about NATO-2, and I would like to remind you in this connection that I also proposed the establishment of an EC-2. In launching this idea I meant that we should proceed together toward the common market. I think that there is no chance for each of our countries to join the EC separately. We must cooperate and jointly apply for EC membership. We need to recall that prior to the political changes in our country, our economic relations with the West were one to ten. Today this correlation is even one to 50 in the majority of our countries, which shows that I was right. We would suffer fewer losses if we chose the option I proposed. Naturally, we should by no means restore the old CEMA structures. Nevertheless, we should try to build something new out of the old structures. If we sever all economic ties in a revolutionary manner, our losses would be too great. The current trend of promoting regional cooperation confirms the correctness of my ideas. It means that political revolution should be accompanied by a more cautious transition in the economic sector.

[Levi] Mr. President, how should the countries known as new democracies settle the relations among the president, the legislative, and the executive power, according to you?

[Walesa] Naturally, we are facing numerous problems in this respect today, problems that we have actually inherited from the past 50 years. We shall never find a totally satisfactory, final solution for these problems because they involve some basic questions for which we have no answers. The aforementioned 50 years deprived us of the awareness of freedom, which we could not achieve at that time. We were destined to achieve freedom and to build a free state through evolution. In talking about evolution, we should also mention the problem of compromise. Every compromise is subject to doubt, of course. Nevertheless, what we would describe as "treason" could also be the shortest way to a new stage of development and to new problems. This is exactly what the famous roundtable negotiations were about.

[Levi] It is a controversial issue also in our country.

[Walesa] Yes, it was a compromise that could easily have been defined as an act of treason. However, we should also see it from a different point of view, and we could say: Who knows where the bones of his ancestors are buried? We do not know it, but we know that we would not exist without our ancestors. We would not exist without certain events that occurred in Poland over the last 50 years, and we would not have this kind of democracy that we are enjoying today. I would not be in the position I am today. The things I said 30 years ago would be unthinkable today. Even in the 80's I said that I accepted socialism, but without its distortions. Such a statement would be preposterous today. The problems of decommunization cannot be easily resolved without taking into consideration the time, the place, and the conditions accompanying them.

[Levi] In this respect, how do you see the solution to the problem of the personal police files, which is a topical issue both in Poland and Bulgaria?

[Walesa] We should not pretend that this is a secret. It is common knowledge that everyone who fought the old regime had a police file. This is what created the strength and power of the communist system. Those who supported the regime had no police file, of course. Hence, all those who were active opponents had a police file. The important fact is that the files were compiled by the regime! Every personal police file was accompanied by additional files. One file dealt with our struggle against the regime, while the other papers described the methods of combating us. Those files, precisely, contained various materials related to provocations, extortions, and all sorts of brutal methods. The more documents were accumulated about an individual, the more dangerous he

was for the regime. I can boast of being the Polish citizen with most extensive personal file. The documents contain all aspects of the struggle directed at destroying me, including forged materials, something that can easily be proved. For this reason, precisely, personal files should be carefully examined and accurately processed. If someone should come into possession of the documents used to combat us, we can do nothing about it.... Hence, we should be very careful.

[Levi] Would this mean that you are against disclosing files and prefer that they be handled with care?

[Walesa] I am in favor of disclosing files, but this should be done with care. We selected the evolutionary path, thus giving the Communists a lot of time. They destroyed the most important documents, a fact that they openly admitted. However, they left the files that can be used to damage us intact. The situation is somewhat different in my case. They destroyed all my files, but they sent copies of various documents to different people. This was a stroke of genius, because the documents are now in the possession of various people who are sending them back. They can be used to put together an entirely new file. This question should be carefully examined. Nevertheless, it is not my greatest concern. We must act resolutely, but with caution, otherwise we would give the old system a chance of winning again. Though it no longer exists, it is capable of provoking unrest with the help of such documents.

[Levi] Dr. Zhelev's visit to Poland is imminent. What results can be expected from it?

[Walesa] Today our politicians are discovering new spheres of cooperation. I am convinced that my meeting with Dr. Zhelev is likely to promote this kind of cooperation. The meeting is necessary, because we certainly have not sufficiently exploited our mutual possibilities of cooperation so far. A closer cooperation would certainly be more effective. Naturally, we will discuss the problems you mentioned in this interview. Hence, we, the presidents, will more easily implement some of our intentions. Your president has great experience, and as far as I am concerned, I cannot complain of being totally inexperienced.

[Levi] From the point of view of your personal experience, how does one of the most famous dissidents in Eastern Europe feel in the post of president?

[Walesa] I do not feel very comfortable. Irrespective of all our troubles in the past, things were less complicated at the time of the struggle. It is far more difficult to build a new system. The old system is to blame for the present backlash of destructiveness in certain areas. We are now obliged to make a total change, to do exactly the opposite of what we did until recently. In the meantime the world is advancing at great speed, it is literally racing ahead of us. The media show this progress, which annoys our citizens. They see the Western shops filled with consumer goods, the people who are much more prosperous and seem to be happier, although they are not better than us. We are obliged to join the race and follow them. Sometimes I wonder why I watch all this on television, why we watch things that seem so attractive to us and force us to reach for them. Actually, I do not feel happy most of the time. The tasks, the worries, and the difficulties are overwhelming. We must cope with all this and it is not easy, it is by no means likely to be less difficult in the future, but we have to cope.

[Levi] Thank you Mr. President. Would you be so kind as to sign an autograph for our readers?

Calls for Better Cooperation

AU2302184493 Sofia BTA in English 1658 GMT 23 Feb 93

["Exclusive" BTA report by Veselin Yankov]

[Text] Warsaw, February 23 (BTA)—We should remember that for 50 years Bulgaria and Poland belonged to one and the same system and cooperated with each other. It would be only logical for us to continue to promote this cooperation wherever this is possible, Polish President Lech Walesa told Bulgarian journalists today. He gave an interview in connection with the forthcoming official visit of Bulgarian President Zhelyu Zhelev to Poland.

Mr. Lech Walesa said that the two presidents should widely open the gates for fruitful political, economic, commercial and cultural contacts. Unfortunately, he said, our experts have not established adequate contacts, and therefore together with Dr. Zhelev we should insist on the seeking of new opportunities. Because for the time being things are making slow and insignificant progress. But I hope that President Zhelev's visit will give an impetus to the development of broad bilateral cooperation.

According to Mr. Lech Walesa, political victory is not enough and the new conditions in Poland and Bulgaria require a calm and sensible economic revolution. We are building a system in which ambitions and ignorance may impede the progress of the reform, he said and expressed the hope that with time the mistakes will become fewer. It is only normal to do away with the past but this should not be our principal goal. This is within the competence of the court and of the prosecuting magistracy, Mr. Walesa said, dwelling on the issue of decommunization and police files.

Mr. Walesa neither confirmed nor denied Poland's intention to introduce affidavits for Bulgarian citizens travelling to Poland. I am for open borders, he stressed, but their opening causes great problems. The crime rate has risen and we should master the situation. We should be wise and unify the logic of the systems as soon as possible because otherwise we may become the Wild East, Mr. Walesa pointed out, and warned that the Chinese borders are also being opened.

Suchocka Leaves for Visit to Austria

LD2202203793 Warsaw Radio Warszawa Network in Polish 2000 GMT 22 Feb 93

[Text] Premier Hanna Suchocka left for Vienna tonight for a two-day official visit at the invitation of Chancellor Franz Vranitzky. The prime minister is accompanied by Andrzej Arendarski, minister for foreign economic cooperation, and Jan Krzysztof Bielecki, minister for European integration. Meetings with Austrian industrialists and businessmen and also with Poles living in Austria are envisaged in the program.

Our discussion topics will include Polish debts, the prime minister said before departure. Austria is one of our largest creditors and accounts for about 11 percent of our foreign debt.

Onyszkiewicz, French Minister Discuss Cooperation

WS2302150593 Warsaw SIS in Polish 1853 GMT 22 Feb 93

["News Conference of the Polish and French Minister of National Defense"—SIS headline; in Warsaw on 22 February]

[Text]**The Statement by the Polish Minister of Defense**

Janusz Onyszkiewicz, minister of national defense, said that the first meeting with the French Ministry of Defense took place half a year ago in France. He said that since that time, when cooperation agreements were signed between the two countries, the contacts had been developing more and more dynamically. They now include increasingly wider areas and are maintained not only at the ministerial level, but also at much lower echelons.

Janusz Onyszkiewicz said that the discussion at today's meeting with Minister J. E. Joxe included security in Europe and the current situation in the UN peace missions.

J. Onyszkiewicz stressed that such meetings with a partner as important for Poland as France were necessary and would certainly be organized in the future.

The Statement by the French Minister of National Defense

J. E. Joxe, French minister of national defense, said that the cooperation with Poland was developing very well. He said that he himself had arranged for many representatives of [word indistinct] administration to come to Poland. He added that France conducted similar cooperation with Czechoslovakia and Hungary.

[Words indistinct] which send the most numerous peace contingents within the UN. In the former Yugoslavia, the Polish and French contingents are getting along well together.

The Issue of Polish-French Cooperation in the Area of Defense

He said that Polish-French cooperation in the area of defense could be very broad.

He said that the Polish military industry could also benefit from this cooperation, although he did not reveal any details.

The Substitute Military Service

Asked about his attitude toward the concept proposed recently by the Democratic Union that the substitute military service be granted without limitation, Minister Onyszkiewicz said that this was hard to reconcile with the constitutional duty of the defense of the motherland. [passage indistinct]

Joint Conference With Ukraine on Minorities Ends

AU2302124793 Warsaw PAP in English 2221 GMT 21 Feb 93

[Text] Krynica, Feb. 21—The Polish-Ukrainian conference "New Challenges-New Responsibility," devoted to the situation of ethnic minorities in Poland and Ukraine, ended in Krynica, Nowy Sacz Province, today.

According to Dr. Wlodzimierz Mokry of the Jagiellonian University in Krakow, "in the 1000-year-old history of Polish-Ukrainian relations there have never been so few divisive issues. One still gets an impression, though, that both Poland and Ukraine have not worked out effective mechanisms of economic, scientific and cultural cooperation."

At a press conference held during the Polish-Ukrainian meeting, ambassador of Ukraine to Poland Gennadiy Udovenko said that access to NATO is not the aim of his country's foreign policy. "Ukraine wants to remain outside military blocs, striving for guarantees of security," he added. According to Udovenko, Ukraine is not trying to join the EC, either.

Antipresidential Rallies Take Place in Krakow

AU2302183993 Warsaw RZECZPOSPOLITA in Polish 22 Feb 93 p 2

["R.R." report: "Antipresidential Rallies in Krakow"]

[Text] Saturday [20 February] witnessed antipresidential and antigovernment rallies in Krakow. Kornel Morawiecki, head of the Freedom Party, addressed a rally of about 100 persons organized by the Freedom Party and Movement for the Third Republic. He suggested that Poland should have solidarism, instead of 19th century capitalism, and then "there would be no more division into rich and poor people." He considered a social upheaval essential and said that it should occur as soon as possible.

Despite an earlier announcement to the contrary, Center Accord leader Jaroslaw Kaczynski did not attend the rally. At a news conference, he explained that he did not attend because he feared the possible participation of anarchists, with whom he does not wish to identify himself.

He complained about the refusal of the management of the Bagatela Theater to let him hold a meeting with Krakow residents inside the theater. One thousand people gathered in front of the theater to greet Kaczynski and Jan Parys, leader of the Movement for the Third Republic, shouting slogans against the president and government, but the management refused to admit them, claiming that there had been a technical failure inside the building.

Spokesman Supports Defending State Authority

WS2302120593 Warsaw SIS in Polish 2122 GMT 19 Feb 93

["Statement by the Spokesman for the President of the Republic of Poland"—SIS headline]

[Text] The spokesman for the president of the Republic of Poland, in an interview for Gdansk Radio, defined the increasingly numerous cases of defending the authority of the state, the office of the president, and our path of reforms as a need for joint actions in favor of reforms. "These initiatives, which originated at lower levels, must not be lost", he added. "Groups, federations, social committees are being set up. These initiatives are the beginning of something that in the future could provide foundations for a broad social pro-reform movement." The initiatives are in many ways based on the presidential campaign program of Lech Walesa. Because so far we have not managed to implement everything we wanted to, "the president says that this may be an element of the movement that is being established. We have to provide answers to the questions: Are we making progress because of what we are doing, or not? In what direction are we going? In a good one or a bad one? Perhaps some changes are needed here."

Government, Trade Unions Conclude Enterprise Pact

AU2402104693 Warsaw PAP in English 2257 GMT 22 Feb 93

[Text] Warsaw, Feb. 22—Labour Minister Jacek Kuron, leader of the Solidarity trade union Marian Krzaklewski, and chairman of the Confederation of Polish Employers Andrzej Machalski signed the long-negotiated enterprise pact in the presence of Prime Minister Hanna Suchocka today.

During separate ceremonies, the pact was signed by the government; the All-Poland Alliance of Trade Unions (OPZZ), represented by Ewa Spychalska; the Confederation of Employers and seven other trade union organizations.

Government and union representatives stressed after the signing ceremony that the document marks the beginning of a practice of solving social problems through trilateral negotiations.

The prime minister described the pact as a chance for Polish reforms which will facilitate working out of a new formula of enterprise operation by common efforts of employers and employees.

OPZZ leader Ewa Spychalska stressed that the pact provides solutions to important questions of participation of employees in privatization of enterprises, retention of their right to social protection and the maintenance of existing jobs by means of enterprise debt rescheduling.

The state enterprise pact comprises several legal acts referring to restructuring of state enterprises, their debt rescheduling, mechanisms of pays shaping, protection of financial interests of workers in the situation of the employer's insolvency, social activity of enterprises and collective labour arrangements.

Arms Plant Workers Stage Warning Strike

WS2402133093 Warsaw TVP Television First Program Network in Polish 1100 GMT 24 Feb 93

[From the "Wiadomosci" newscast]

[Text] In the factories producing planes and military equipment, a two-hour warning strike has ended. The strike was organized by the national sections of Solidarity of the aviation and military industry. The strikers are demanding a decrease in the loan burdens for their plants, specific plans for their restructuring, and higher wages.

[Begin correspondent Jerzy Oleszkowicz recording from Rzeszow, identified via screen caption] The unionists believe that the defense industry has been passed up in the law on ownership transformations of some state companies that are especially important for the economy. This results in uncertainty as to the future of these plants. In addition, they are dissatisfied with the talks with the government on the debt of the plants and raises in wages. In the communication equipment factory in Rzeszow, a demonstration was organized during which the workers were informed about the situation of the plant. Information is conveyed via the plant public address system on the demands and the policy of the government toward the defense and aviation industry. [end recording]

Motives of Miners' Strike Over Tax Law Viewed

AU2302163593 Warsaw NOWA EUROPA in Polish 19-21 Feb 93 p 1

[Editorial: "Against Taxes or Against the Government"]

[Text] The strike in the Silesian coal mines is the first mass protest in Poland against higher taxes and the introduction of stricter criteria for their collection. What

is more interesting is that the protest was organized by trade union activists and that workers are participating in it.

The new taxation law is being generally criticized. Irritated by it, business circles have established the Movement for the Defense of Taxpayers, and workers have resorted to their typical weapon of the strike. However, it is not completely clear whether "Solidarity," which is directing the strikes, is really concerned about the taxes or whether it is only a pretext for coming out against the government.

During the first two years of noncommunist government, "Solidarity" was forced to perform the role of a responsible union. Its leaders and advisers became leaders of the state overnight, so the union could not come out resolutely against governments. Being responsible is often an uncomfortable position in politics, and for "Solidarity" it means losing influence to the National Trade Union Confederation [OPZZ]. So, a feeling of frustration gradually arose among union activists—especially at the middle and lower levels—who did not understand the game being pursued by its leaders. The frustration was increased by the polices of the "Solidarity" club, which is becoming increasingly independent of the National Commission and even more independent of ordinary union members.

The Hanna Suchocka government was established with the help of the "Solidarity" club, but it has not made any use of the union "umbrella," not even for a moment. During its six months in office, it has survived two waves of strikes, of which the December one in particular was directed by "Solidarity." Last week, the government survived a difficult test, connected with the budget, thanks to the stance adopted by some "Solidarity" deputies who voted in defiance of the National Commission's stance and contrary to the feeling of union members. This caused the frustration felt by activists to reach a critical level, and they resolved to stage a strike under the pretext of a bad taxation law.

Today, the Senate will probably amend the law and deprive the union of a convenient pretext. However, it is not a foregone conclusion that this will result in the end of the strikes at the coal mines. Perhaps the unionists' real goal is to bring down the government, which it was not possible to bring down over the budget.

Onyszkiewicz Opposes Alternative Military Service

AU2402105293 Warsaw PAP in English 2205 GMT 22 Feb 93

[Text] Warsaw, Feb. 22—Defence Minister Janusz Onyszkiewicz said today that a recent motion presented by some deputies of the Democratic Union (UD) concerning alternative military service was not consistent with the Constitution.

Under the draft regulations the recruiting commissions would be bound to grant the right to perform alternative military service to all conscripts on their request.

At a press conference, Onyszkiewicz stated that under the Constitution conscripts are obligated to defend the homeland. According to him the adoption of the proposed motion would provide a pretext for avoiding military service.

The Ministry of National Defence is preparing its own draft providing for the establishment of a new kind of military service performed without arms and excluding combat training.

Local Government Reform Called 'Good Investment'

AU2402094493 Warsaw PAP in English 1855 GMT 22 Feb 99

[Text] Katowice, Zielona Gora, Feb. 22—Michal Kulesza, the government plenipotentiary for reforming state administration, told reporters today that the planned reform of local government is a good investment, since it will lead to more rational spending of taxpayers money.

He estimated the cost of reestablishing one county (powiat) at between 2.5 and 5 billion zlotys (ca. 150,000 - 300,000 dollars). The number of counties will reach 300.

Kulesza explained that after the setting up of counties the number of provinces (called voivodships) will be reduced and their geographical boundaries altered.

The administrative reform providing for the return of counties and a new map of provinces was supported by Deputy Prime Minister Pawel Laczkowski at a meeting in Zielona Gora today.

He said he favoured reducing the number of provinces from the present 49 to between 9 and 12.

Laczkowski also declared himself against too broad a scope of the special powers for the government. It is parliament that should make laws in Poland, but the efficiency of legislative work must be improved, he said.

Serbian President Cosic Views Relations

AU2402112093 Bucharest ROMPRES in English 1007 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—"Romania's President Ion Iliescu is interested just like I am in entrenching quiet in our region. I hope that in this shelter offered by Bucharest we will able to discuss together how to fight back the storm that threatens the Balkans," told daily ADEVARUL Dobrica Cosic, president of Yugoslavia (Serbia and Montenegro), who starts an official visit to Romania on February 25. He assessed as "a very complex issue" the enforcement by Romania of the embargo imposed on Yugoslavia by the UN Security Council, considering that the incidents caused by the breaching of the embargo by some Serbian ships "have shaken not only the Romanian public opinion but also the Yugoslav one. Romania is our traditional friend, not to say eternal, and we must not allow this friendship to be destroyed," the collocutor said.

Dobrica Cosic expressed his satisfaction at President Iliescu's recent statement at the Brussels NATO Headquarters according to which Romania would by no means resort to force to enforce the embargo. "Such a statement could be made only by a true friend of Yugoslavia and a very wise statesman," he opined, highlighting that this would be one of the main themes of the talk he would have with Romania's president. "We will discuss about how to preserve our friendship, how to protect it against the temptations created by the current international circumstances. How to work for this embargo, that has no precedent in the modern history, to affect us the least possible and not to cause so many damage, especially to the Romanian people."

The Yugoslav head of state considered that, as Romania had fine relations with all republics of former Yugoslavia, "it is the country that deserves to play the role of moderator that is absolutely necessary."

Vacaroiu, German Delegation Discuss Reform

AU2302214293 Bucharest ROMPRES in English 1920 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Prime Minister Nicolae Vacaroiu received Tuesday, 23 February, a delegation of the German Committee for Relations With East Europe, headed by Otto Wolff von Amerongen, chairman of the committee.

From the very beginning, the Romanian premier stressed the importance of the relations between Romania and Germany and the assistance Germany could render to Romania during the transition period, mainly in point of technical and managerial assistance. The premier presented to the guests the main lines of the Romanian reform strategy, of the governing programme.

In their turn, the German delegation showed that Germany wanted to enlarge its relations with Romania, which it could help efficiently with reform programmes and managerial assistance.

The fact was brought into relief that now Romania had the adequate legislative background for safe foreign investment, an aspect German potential partners are also interested in for Romania's faster integration in the international labour division circuit, which it used to be part of before the World War II.

Moldovan Parliament Leader Meets Senate President

AU2302132993 Bucharest Radio Romania Network in Romanian 1100 GMT 23 Feb 93

[Text] Mr. Petru Lucinschi, president of the Parliament of the Republic of Moldova, arrived in Bucharest this morning. At noon, he met with Mr. Oliviu Gherman, president of Romania's Senate. In the evening, he will also have a meeting with Mr. Adrian Nastase, speaker of the Chamber of Deputies, with whom he will leave for Istanbul to participate in the founding session of the parliamentary assembly of the states belonging to the Black Sea economic cooperation zone.

During his stay in Bucharest, Mr. Petru Lucinschi will also be received by Romania's President Ion Iliescu.

In a statement made to ROMPRES on his arrival in Bucharest, the president of the Parliament of the Republic of Moldova, said that he will brief his discussion partners here on the situation in his country, including in the Chisinau Parliament, and will exchange views on the relations between Romania and the Republic of Moldova.

Received by Iliescu

AU2302185893 Bucharest ROMPRES in English 1608 GMT 23 Feb 93

[Text] Bucharest, ROMPRES, 23/2/1993—On a several-hour visit to Bucharest on his way to Istanbul, Petru Lucinschi, president of the Parliament of the Republic of Moldova, was received Tuesday, February 23, by Romanian President Ion Iliescu.

"Irrespective of the way in which the structures of the political institutions in the two countries will change, of the persons now in the leadership, between Romania and the Republic of Moldova there must be friendly relations. That was, in fact, the topic of the discussions I had with Mr. Lucinschi," President Iliescu told the press at the end of the interview.

Showing his satisfaction to be, even for only several hours, in Bucharest, a fact which he has been wishing for some time now, Petru Lucinschi put forward Moldova's legislative priorities: the constitution (the drafting of which is to begin on March 2) and solutions to the economic problems.

Over the next period the Bucharest-Chisinau Interparliamentary Commission will be reactivized and a new meeting between presidents Ion Iliescu and Mircea Snegur will take place.

Nastase, Lucinschi Discuss Relations

AU2302190093 Bucharest ROMPRES in English 1816 GMT 23 Feb 93

[Text] Bucharest ROMPRES 23/2/1993—Tuesday, 23 February, Adrian Nastase, speaker of the Romanian Parliament's lower house, met with Petru Lucinschi, president of the Parliament of the Republic of Moldova, who is to attend the meeting of chiefs of parliament from the countries members to the economic cooperation of the Black Sea.

During the interview, the two heads of parliament tackled matters of general interest as well as problems of mutual interest and examined the means to develop the multilateral relations between their two countries.

Industry Minister, Iran's President Discuss Ties

AU2302170293 Bucharest ROMPRES in English 1345 GMT 23 Feb 93

[Text] Tehran (ROMPRES) 23/2/1993—Monday, February 22, Romanian Industry Minister Dumitru Popescu, cochairman of the joint Romanian-Iranian Commission for Economic, Technical, and Trading Cooperation was received by the president of the Islamic Republic of Iran, 'Ali Akbar Hashemi-Rafsanjani.

Dumitru Popescu handed a message from Romanian President Ion Iliescu, expressing the desire to develop and diversify the cooperation relations between Romania and Iran, both on an economic plane—machine building, including aeronautics, Romania's participation in the project of the Iran-Europe gas pipe—and in other fields. The message invites President Rafsanjani to visit Romania at a date of his convenience.

President Rafsanjani thanked for the message and underscored Iran's interest to enhance collaboration with Romania and opined there were favourable conditions for that if one considered the two countries' economic and technical potential.

Iliescu, Party Leaders Discuss Issues

AU2302214493 Bucharest ROMPRES in English 1915 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Tuesday, 23 February, at the Cotroceni Palace, President Ion Iliescu had a first round of consultations with political parties, the first to meet with being a delegation of the PNTCD-PER (National Peasant Christian Democratic Party-Romanian Ecologist Party) group having PNTCD President Corneliu Coposu, Ion Ratiu, Ion Diaconescu, Mircea Ciumara, Otto Weber, and Remus Opris as members.

At the close of the talks, which lasted for about three hours, Mr. Coposu told the press: "We have examined the political and economic situation of this country. The president took note of all our remarks, the criticism made about the budget law and cabinet Vacaroiu's economic strategy, as well as of our complaints against the ruling party's interference in all sectors of public life, and of its tendency to instate a totalitarian regime by manipulating levers at all levels."

Mr. Coposu said that "new talks will very soon be held."

Next the delegation of the National Salvation Front (FSN) was received consisting of Messrs. Petre Roman, Adrian Severin, Victor Babiuc, Ion Aurel Stoica, Eugen Dijmarescu, and Radu Berceanu.

Iliescu, FSN Delegation Discuss Economic Issues

AU2402094093 Bucharest ROMPRES in English 0911 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—President Iliescu met with National Salvation Front [FSN] leaders on February 23, at Cotroceni, as part of the consultations with political parties.

The delegation of the National Salvation Front was made up of Petre Roman, Adrian Severin, Victor Babiuc, Ion Aurel Stoica, Eugen Dijmarescu and Radu Berceanu.

According to FSN Chairman Petre Roman, they discussed the embargo imposed on Yugoslavia and its consequences, and the government program and the budget for this year.

Whereas consensus was reached with respect to the international matters, one cannot say the same about the government program, the FSN leader said. President Iliescu spoke of a "perspective master program," while Petre Roman advanced the idea of "a package of economic measures that should give the image of concrete improvement."

"President Iliescu said that after the completion of the series of consultations with the political parties he would try to find a platform of dialogue, without saying what platform, that should allow us to overcome the impasse," Petre Roman concluded.

PL Leader Horia Rusu Presents Program

AU2302184893 Bucharest ROMPRES in English 1642 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Tuesday, February 23, Executive Chairman of the Liberal Party [PL] Horia Rusu made a survey for the first press conference of that party of the main topics discussed at the merger congress which resulted in the formation of his party and put forward the Liberal Party's programme for the following months.

The Liberal Party has resulted from the merger between the National Liberal Party-Young Wing, the National Liberal

Party-Democratic Convention and a part of the Group for Political Reform in the National Liberal Party.

Within three months, Horia Rusu said, conventions of the Liberal Party will be organised in all counties and afterwards a national council meeting will be called, to adopt the Liberal Party's political and governing programme.

As for the Liberal Party's participation in a possible coalition government, its leaders underscored they "exclude participation in any cabinet reshuffle" and if a new government were to be formed "they will not go along with the Socialist Labor Party, the Greater Romania Party and the Democratic National Salvation Front in its current form."

FDSN Spokesman Sees No Need for Cabinet Reshuffle

AU2302191093 Bucharest ROMPRES in English 1800 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Nobody conceives of ruling without opposition. Ruling and opposition parties are in fact partners in a political dialogue and we dot raise the issue in the terms of class struggle, said Dumitru Pislaru, FDSN (Democratic National Salvation Front) member of the lower house of the Romanian Parliament at the news conference of Tuesday, 23 February. His statement was an expression of his party's stance to the repeated claims of some political leaders that "the recently formed Liberal Party is the only political force capable of demolishing the FDSN."

The spokesman said that from the president's talks these days with political leaders one should not necessarily infer that the opposition parties pursued a 'cabinet reshuffle.' The president's consultations with political leaders have become a practice when internal and international events demand it, the FDSN spokesman said while stressing that "there doesn't seem to be any reason for a cabinet reshuffle. Which does not mean that a reshuffle is or isn't going to happen."

EBRD To Grant $280 Million Infrastructure Loan

AU2302143093 Bucharest ROMPRES in English 1343 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—"EBRD [European Bank of Reconstruction and Development] and the World Bank have granted Romania $280 million for 17 years with a five-year grace period and standard interests," Dan Mogos, secretary of state in the Ministry of Finance, told the daily ADEVARUL. He added that this credit, that is part of a package to be granted by international financing bodies for infrastructure works, in transport mainly, had been the biggest going to Romania so far.

The project includes rehabilitation and reinforcement works over 1,053 kilometers of road, facilities in the activity of six frontier stations, imports of materials and equipment, traffic safety works.

EBRD Approves Loan

AU2302170093 Bucharest ROMPRES in English 1343 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—"EBRD [European Bank of Reconstruction and Development] and the World Bank have granted Romania $280 million for 17 years with a five-year grace period and standard interests," Dan Mogos, secretary of state in the Ministry of Finance, told the daily ADEVARUL. He added that this credit, that is part of a package to be granted by international financing bodies for infrastructure works, in transport mainly, had been the biggest going to Romania so far.

The project includes rehabilitation and reinforcement works over 1,053 kilometers of road, facilities in the activity of six frontier stations, imports of materials and equipment, traffic safety works.

Vacaroiu Says 1992 IMF Requirements Unreachable

AU2302185693 Bucharest ROMPRES in English 1558 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Romania's premier, Nicolae Vacaroiu, received Tuesday, February 23, Godard Posthumus, IMF representative on a visit to Romania now.

The prime minister told his guest that Romania could not meet the requirements of its agreement with IMF for 1992, because of a deepening crisis that has made it use foreign financial sources for consumption instead of investments. The head of the executive mentioned that his cabinet was seeking solutions to restructure the economy, to introduce financial discipline and promote legislative initiatives apt to back the reform. He added that he hoped that Romania would continue to be granted foreign assistance.

For his part, Mr. Posthumus mentioned that IMF was willing to continue to cooperate with Romania. IMF is interested in Romania's social and economic reform, particularly in the strengthening of its currency and enterprise restructuring, said Godard Posthumus who opined that foreign credits were particularly important for Romania at the moment and he would back it to obtain such credits.

Finance Minister, Council Chairman Meet Negritoiu

AU2302142793 Bucharest ROMPRES in English 1306 GMT 23 Feb 93

[Text] Bucharest, ROMPRES 23/2/1993—Florin Georgescu, minister of state, minister of finance, met Tuesday, February 23, Godert Postumus [as received], who is heading a delegation of the International Monetary Fund, currently in Romania.

The IMF delegation met the same day with Misu Negritoiu, minister of state, chairman of the Council for Coordination, Strategy, and Reform.

Vice Premier Says U.S. Decision Long Awaited

AU2302192893 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1400 GMT 23 Feb 93

[Text] Francois (?Fouinas), personal envoy of Sadako Ogata [UN high commissioner for refugees], and Anthony Land, chief of the Office of the UN High Commissioner for Refugees [UNHCR] in Sarajevo, held talks with the vice premier of the Bosnia-Hercegovina Government and the representatives of the Ministry of Foreign Affairs in Sarajevo today. Nada Rajkovic reports:

[Begin recording] [Rajkovic] The situation that followed the interruption of delivery of humanitarian aid to Bosnia-Hercegovina was discussed today. After the talks Francois (Fouinas), UNHCR coordinator for former Yugoslavia, stated:

The situation is evolving in the direction that we expected. We also concurred that this crisis produced some positive results. Therefore, we hope that we can start from new ground and be able to take [word indistinct] advantage to be able to deliver aid to all those who need it in the future.

We hope that we will fulfill all the obligations undertaken during this period and that everyone will contribute to help the needy people.

Zlatko Lagumdzija, vice premier of the Bosnia-Hercegovina Government, said the following about today's talks:

[Lagumdzija] What should be stressed is that the total amount of aid for the town of Sarajevo and for other regions that have recently lacked aid will be compensated for and (?substantially) increased. Therefore, we can freely say that, apart from the new political climate and the fact that the international mechanisms which will hopefully resolve this problem in a just manner have finally started to work, a very concrete result of all this is that the amount of aid to Sarajevo will be considerably greater than it would have been had this incident not occurred. What is particularly interesting for us is that the system be [word indistinct] as quickly as possible. Especially after this, as they call it, crisis they will do everything in their power to exert pressure upon individual powerful nations—we know who they are—and the UN for this system to (?be adopted) as quickly as possible.

[Rajkovic] When asked by a journalist to comment on the latest decision by the U.S. Government to airdrop aid to the occupied parts of Bosnia-Hercegovina, Lagumdzija said:

[Lagumdzija] We also discussed this a little. Such a decision is, among other things, also a result of what has been going on in the last 10 to 15 days. The international machinery started to work in a slightly different manner after everything that has been happening here, and this decision is a direct result of what we have witnessed in the last 10 to 15 days. It is perfectly natural that [pauses] You know, delivery of aid via air can only partially solve the problem, only partially. This system, however, [words indistinct] is the (?optimal solution), and we hope that what we have been trying for months will materialize. Then the pressure will (?be shifted) on land corridors. You remember when an air link with Sarajevo was established. Then the [word indistinct] convoys for Sarajevo suddenly started to function and the [word indistinct] aid to Sarajevo is currently being delivered via (?land) convoys, because it makes no sense to stop these convoys since an alternative way to deliver the aid exists.

Therefore, delivery of aid via air is only a sign of resolution by those who wish to help and a warning to those who are stopping the aid—the chetniks in this case, of course, and unfortunately in some regions also the Croatian Defense Council—(?that it makes no sense what they do) as the aid will be delivered in any case. All in all, the move by the U. S. Administration is something that we have been waiting for a long time. We have worked on this for a long time and it seems that this is now also coming true.

I must also say here that Mr. (?Fouinas) told me today that he had received assurances, that is to say, that Mrs. Ogata had received assurances from Pale [Bosnian Serb headquarters] and from the Croatian Defense Council that they would no longer obstruct the convoys and create problems, which is strange since that they earlier claimed they were doing no such thing. We are glad, however, that they said that they would no longer do what they claim they had never done. [end recording]

Karadzic Says U.S. Airdrop 'Unnecessary'

AU2402095293 Belgrade Radio Beograd Network in Serbo-Croatian 0900 GMT 24 Feb 93

[Text] Radovan Karadzic, president of the Serbian Republic of Bosnia-Hercegovina, has said that the Serbian delegation will travel to New York for the peace talks. Whether I will be in the delegation will be decided at the last moment, Karadzic told SRNA. My departure also depends on the U.S. decision about the humanitarian airlift, as well as on the composition of the delegations of the Croatian and Muslim national communities, the leader of the Bosnian Serbs said. At the same time, Karadzic points out that White House chief Bill Clinton's decision is unnecessary and extremely dangerous and that it represents a new encouragement to Muslim forces for their offensive in eastern Bosnia.

Lukic Suspects U.S. Airlift To Arm Muslims

AU2302212493 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 23 Feb 93

[Interview with Vladimir Lukic, prime minister of the Serbian Republic of Bosnia-Hercegovina, by Dragoljub Stankic, in Pale; date not given—recorded]

[Text] [Stankic] What is your view of the alleged engagement of the United States on the territory of the former Bosnia-Hercegovina and the alleged delivery of humanitarian aid from the air?

[Lukic] First of all, there is no reason to deliver humanitarian aid by air because the Serbian side is allowing all convoys to cross (?all) regions in Bosnia-Hercegovina, regardless of who lives in them, provided that there is no fighting in these regions. Therefore, I do not believe the United States will find it necessary to use planes to deliver humanitarian aid.

Even if this happens, I believe the Security Council will not accept this because I am deeply convinced this has nothing to do with delivery of humanitarian aid, but more likely with supplying arms to the Muslims.

Arming the Muslim side certainly means total war, in which the only loser will be the side that caused it, and this is the one who continues to arm himself.

[Stankic] On what will the Serbian sides continue to insist, and what will you do next?

[Lukic] We have been advocating absolute peace in the former Bosnia-Hercegovina for some time. This is borne out by a number of actions, views, and so forth. If the other side does not accept this and realize that peace should be established, it is then obvious that it favors the option of war. If they want war, then it should be expected that they will indeed get it.

Serb Army Commander Assesses U.S. Aid Plans

LD2302220493 Belgrade TANJUG Domestic Service in Serbo-Croatian 2051 GMT 23 Feb 93

[Text] Trebinje, 23 Feb (TANJUG)—Lieutenant Colonel General Ratko Mladic, commander of the Serb Republic (in Bosnia-Hercegovina) army, told Radio Trebinje this evening that if the United States and West Europe punish the Croatian Army presence on the territory of former Bosnia-Hercegovina, and if they make sure that those units leave the occupied areas in line with UN Security Council resolutions, war operations will cease.

According to Gen. Mladic, war operations will not cease "because conditions and elements which led to war have not been removed." Asked to comment on the White House decision to start an air drop of humanitarian aid to people of Bosnia-Hercegovina, Gen. Mladic said: "Each move by the U.S. Administration must be watched closely. I believe the White House will be reasonable and will drop aid to people most in need. The Serb side will not tolerate delivery of oil and arms behind the mask of aid, which some countries have been doing."

Referring to the recent expulsion of Muslim people from the Trebinje municipality area, Gen. Mladic called it "manipulation of Alija Izetbegovic [Bosnian president] and his superiors."

"The majority of Trebinje Muslims are not against the Serb people, which is clear from the fact that they were in units of the Serb army, where they fought bravely. Their tragedy is that they started to believe the propaganda of the Party of Democratic Action, led by Izetbegovic," Gen. Mladic said.

U.S. Airdrop Plan 'Raising Hopes'

AU2402115093 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1100 GMT 24 Feb 93

[Report by Semso Tucakovic from Gorazde]

[Text] Carrying out their fascist policy of ethnic cleansing, the greater Serbian aggressors have intensified their war of attrition against the civilian population in Gorazde and other free territories of Foca and Kalinovik. White death [by freezing] has become a daily occurrence in this region. Women, children and old people are dying. Three Muslim people were found last night frozen to death in a snow storm on the slopes of Jahorina. They were trying to reach an area with more food.

The suggestion that the United States Government is intending to fly in aid is raising hopes here. It could save, at least temporarily, thousands of desperate people.

Relief for Gorazde Still Unable To Get Through

AU2402134893 Paris AFP in English 1329 GMT 24 Feb 93

[Text] Sarajevo, Feb 24 (AFP)—Local authorities in Sarajevo Wednesday [24 February] began to resupply the city's food distribution centers with oil and flour, according to Muhamed Povlakic, head of one of the city's food warehouses.

The U.N. was also to start delivering powdered milk to these centers, which had been deprived of relief supplies because of a boycott by city authorities of humanitarian aid. The boycott, decided as a measure of solidarity with starving Moslem communities in the east of the republic, was lifted Monday.

On Tuesday relief convoys began resupplying hospitals and bakeries here.

Eight cargo planes landed in Sarajevo on Tuesday, as the U.N. started up its air bridge to the besieged capital. Relief flights had been suspended because of the Bosnian boycott.

Representatives of the United Nations High Commissioner for Refugees (UNHCR) said here Wednesday they hoped to receive authorization to send a relief convoy to Goradze, a Moslem enclave in eastern Bosnia besieged by the Serbs.

The convoy, which is blocked in Podromanija, 30 kilometers (18 miles) northeast of Gorazde, has been trying

to reach the enclave for weeks but has been stalled by bad weather and the search for mines, said Tony Land of the UNHCR.

Another convoy Wednesday reached the Moslem enclave of Tuzla, northeast of Bosnia. Both convoys carry food and medicine.

The United States and the U.N. are considering parachuting emergency relief to such remote areas of eastern Bosnia.

Convoy To Continue After Checks

LD2302232193 Belgrade TANJUG in English 2303 GMT 23 Feb 93

[Text] Belgrade, Feb 23 (TANJUG)—A convoy of the UN Protection Force (UNPROFOR), carrying humanitarian supplies for Gorazde, in the east of war-wracked Bosnia-Hercegovina, will continue on its way on Wednesday [24 February], after a thorough check of the cargo and papers on Tuesday night, the Bosnian Serb news agency SRNA said.

Quoting a statement released by the Bosnian Serb Army, SRNA said [words indistinct] officials on Tuesday refused to permit the usual examination of the cargo of the 12-truck convoy. Agreement was finally struck this evening.

Serbs Stop Aid Convoy

AU2302161693 Paris AFP in English 1521 GMT 23 Feb 93

[Excerpt] Belgrade, Feb 23 (AFP)—Bosnian Serb fighters on Tuesday [23 February] halted two U.N. convoys carrying 167 tonnes of food and medicine for Moslem enclaves in eastern Bosnia that had left Belgrade earlier in the day, a UNHCR [Office of the UN High Commissioner for Human Rights] spokeswoman told AFP.

The convoys were heading for Gorazde, southeast of Sarajevo, and Tuzla, in eastern Bosnia, and crossed the Serb-controlled town of Zvornik on the Bosnian bank of the Drina River without any problems, Lyndall Sachs said.

But the convoy for Gorazde with 102 tonnes of supplies was then held up at Podromanija, 30 kilometers (20 miles) northeast of Gorazde, by Serbs who wanted to search the trucks.

The spokeswoman said that UNHCR aides escorting the 10-truck convoy were negotiating a free passage with the local Serb military commander.

"We don't think that they will reach Gorazde before Wednesday," she said.

The 12-truck convoy for Tuzla, carrying 65 tonnes of supplies, mostly powdered milk, was stopped at Kalesija 35 kilometers (21 miles) east of Tuzla. Serbs notably objected to the passage of a truck carrying wood-burning stoves.

But the spokeswoman was confident that the convoy would reach Tuzla before the end of the day.

A humanitarian convoy that had been held up by fighting for more than a month reached the Moslem enclave of Zepa Sunday and was welcomed by thousands of teary-eyed residents who had been without relief supplies for months.

Larry Hollingworth, head of United Nations High Commissioner for Refugees (UNHCR) operations said that although conditions appeared tough in the town there was no sign of famine.

He said the convoy was not able to reach the mountainous enclave above Zepa, home to about 20,000 people. Hollingsworth said relief supplies had gotten to the region only once since January 17, when the fighting erupted.

The UNHCR was also trying to reach several other Moslem communities.

In Sarajevo food supplies were reported to be adequate following 16 relief flights Monday and nine others scheduled Tuesday.

Serbs and Moslems meanwhile battled with heavy artillery Tuesday in eastern Bosnia, according to a Serbian military official quoted by the news agency TANJUG.

The fighting was mainly around the town of Bratunac, near the Serbian border, and involved Moslem forces loyal to Bosnian President Alija Izetbegovic and separatist Serbs.

He said that Moslems in Srebrenica, about 10 kilometers (six miles) from Bratunac, "are planning a heavy offensive" against the Serbian part of Bratunac on the left bank of the Drina. Moslem forces Tuesday morning launched several attacks against some of the positions captured by the Serbs last week.

Serbian forces, according to the military official, were aided by a snow storm Monday evening in pushing back a Moslem infantry unit trying to break through their ranks.

According to Radio Sarajevo, the political situation was also deteriorating in central Bosnia where Croatian forces were trying to "impose their authority on the Moslems," theoretically their allies in the struggle against the Bosnian Serbs. [passage omitted]

Deaths Reported in Gorazde

AU2302215293 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 23 Feb 93

[Report by Fahrudin Bebic from Gorazde]

[Excerpt] At the time of this report, which is just before 1700 [1600 GMT], the UN Protection Force convoy has still not entered the free Gorazde territory. It is not known when it will arrive and whether it will arrive at all. What is known is that at least 23 people died of cold and starvation here yesterday. [passage omitted]

FBI Reportedly Uncovers Plot To Kill Karadzic

LD2402013593 Belgrade TANJUG in English 0054 GMT 24 Feb 93

[Text] Washington, Feb 23 (TANJUG)—The FBI has told the U.N. Security Service it has uncovered reliable information that unidentified groups and individuals are plotting to assassinate Bosnian Serb leader Radovan Karadzic if he comes to New York for peace talks on Bosnia-Hercegovina, TANJUG learns from well-informed sources.

U.N. and U.S. security services are still arguing about who should be responsible for Karadzic's protection. The U.N. Security Service is in charge of protecting diplomats and U.N. officials while they are in the U.N. building, but cannot guarantee their safety outside it.

The same sources said the U.S. side had not yet defined what security measures it proposed to take to protect Karadzic when and if he arrived in New York.

Karadzic Suggests Peace Talks in Sarajevo

AU2402111693 Paris AFP in English 1039 GMT 24 Feb 93

[Text] Belgrade, Feb 24 (AFP)—New peace talks for Bosnia-Hercegovina could be held in the capital Sarajevo itself, hardline Bosnian Serb leader Radovan Karadzic suggested on Wednesday [24 February].

The SRNA news agency set up by his self-proclaimed Serbian republic in Bosnia quoted him as saying, "I think the time has come to organise a new conference which could be held in Sarajevo itself."

Karadzic said he would decide at the last minute whether to accompany a Bosnian Serb delegation to New York for further peace negotiations under U.N. auspices.

"Although we are not being treated equally, we shall go to New York because we want peace," he said referring to his delegation.

Whether he attended would depend on the new circumstances created by the United States' "very dangerous" decision to parachute humanitarian aid into Bosnia, and on the makeup of the Croatian and Moslem Slav delegations, Karadzic said.

Belgrade Radio Cites Muslims' 'Reversal' on Plan

AU2302214793 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 23 Feb 93

[Report by Risto Djogo from Sarajevo]

[Text] Radovan Karadzic, president of the Serbian Republic [of Bosnia-Hercegovina], left Pale this morning. He will lead the Serbian delegation to New York if he is assured that the talks will also be attended by Muslim leader Alija Izetbegovic. Regarding the Vance-Owen plan, the Muslim side has made an obvious reversal. The media, which are faithfully reporting the positions of the Muslim politicians, are now trying to convince the people that the Vance-Owen division of the former Bosnia-Hercegovina is the best solution. Therefore, one should expect Izetbegovic to lead the Muslim delegation in New York.

Sarajevo Quiet; Sporadic Serb Attacks Elsewhere

AU2402101093

[Editorial Report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 0900 GMT on 24 February carries in its regular 15-minute newscast several reports on the fighting in the republic.

The Gradacac Information Center reports that "the attacks on the town are continuing. The night was marked by occasional shelling of the defense positions. Several dozen shells from Modrica hit civilian targets in the outskirts of Gradacac. The attacks continued in the early morning. The Serbian-Montenegrin aggressor and local chetniks have been using tanks, mountain guns [brdski top], and mortars to shell the defense line in Vida. Enemy troops and armored and mechanized units have been seen regrouping on this part of the front. Positions in Begov Konak have been fired on by a tank. This synchronized attack on the northwestern and northern part of our defense has been going on since 0700 this morning."

The Brcko Press Center reports that "it was a somewhat quieter night on this front. Very low temperatures and the heavy losses that the chetniks have suffered in the last two days must have contributed to the letup in the intensity of their attacks. However, last night neither of these factors prevented them from fiercely shelling the defense positions in the central part of the front. The enemy used tanks, recoilless guns, mortars, and Praga from Cadzavac and (?Vidina Suma) to pound Dizdarusa and Omerbegovaca. It has become a sort of a rule that when the chetniks are attacking the central part of the defense line, they simultaneously pound Dubravice Donje. Last night it was targeted by 82-mm mortars. Only small arms fire could be heard from the other parts of the front."

In his report from Maglaj, Hajrudin Sermic says that "last night and this morning have been relatively quiet with only occasional chetnik provocations with small arms fire. Our reconnaissance units last night spotted an enemy transport helicopter flying over (?Cajica Vir), and a convoy of chetnik vehicles in the region of (?Jablanica). The chetniks are obviously using this lull in the fighting for preparations for further attacks."

Reporting from Tuzla, Salih Brkic says that "the night was relatively quiet in the region. Even the Mount Majevica front was calm with only sporadic chetnik fire from small arms and a few explosions. The defenders did not respond to these provocations in strict observance with the Presidency's order. At about 2100 last night, about 10 shells landed in the Kalesija region fired from

the enemy stronghold in (?Zeljina) and Kamenica. The heaviest fighting was again around Celici. From 2000 to 2100, the chetniks fired about (?350) shells at Celici. This morning is relatively quiet."

Borka Rudic reports from Konjic that "the enemy activities during the last 24 hours have been of a low intensity. There has been only some provocative enemy small arms fire at our defense positions. Observing the Presidency's order, the defenders have not responded to these provocations."

In her report from Sarajevo, Sabaheta Maluhic says that "the last 24 hours have been the quietest period since the outbreak of the war."

Starvation Deaths in Srebrenica Reported

AU2302215593 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 23 Feb 93

[Unattributed report from Srebrenica]

[Excerpt] While the UN Security Council is thinking of ways to deliver humanitarian aid to the residents of eastern Bosnia and while the responsible people [words indistinct] with the aggressor to let the convoys pass, the residents of Srebrenica, Konjevic Polje, Cerska, and Kamenica are dying in terrible pain.

This morning 17 people who died of hunger, contagious diseases, and cold were found in Srebrenica. Nine were children. The number of deaths is much higher due to the powerful snowstorm raging in Srebrenica. We have no reports from the nearby villages. [passage omitted]

Local Authorities Demand Release of Muslim POW's

AU2302204493 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 23 Feb 93

[Excerpt] The assembly of the Banja Luka region, whose temporary seat is in Travnik, has sent a letter to the Presidency of the Republic of Bosnia-Hercegovina appealing to the presidency and President Alija Izetbegovic to expedite the release of Muslims from chetnik camps in Banja Luka, Nova Topola, Batkovic, and Janja, near Bijeljina.

The assembly specifically demands that the state commission for exchanging prisoners take part in this effort. Its assistance is necessary for the release of people from these camps. Chetniks are demanding the release of chetniks in exchange for prisoners from these four camps. Some of these chetniks have been prosecuted while others are going through the process of investigation. The aggressor, as the letter points out, is also interested in a certain number of people held in the Zenica camp for prisoners of war.

The letter also briefs the presidency on the crime that took place on the road between Skender Vakuf and Koricani last 22 August. On that day, the letter states, about 1,200 men, women, and children were being moved from Trnopolje toward Skender Vakuf. At a place called Varianta, chetnik military policeman Dragan Mrdja stopped the convoy and selected 250 men. According to three witnesses, the men were killed brutally. Their bodies were dumped in an abyss 200 feet deep.

The letter concludes by saying that there are about 5,800 civilians from the Bosnian Krajina in the camps in Batkovic, Janja, Banja Luka, and Nova Topola and that the 1,200 remaining Muslims from Sipovo will arrive in Travnik on 26 February. [passage omitted]

Tuzla Fighters Return From Iran 'Dissatisfied'

AU2402081593 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 23 Feb 93

[Text] There are no major clashes on Majevica. Vlado Trisic reports:

[Begin Trisic recording] It is claimed that the Serb positions in Peljave are occasionally being fired at from the direction of Teocak, but observing the cease-fire, the Serb fighters have not replied to these provocations. The same information service [as heard] today carried the following piece of information: The first group of some 30 wounded Muslim fighters from the Tuzla area that were sent for treatment to the Islamic Republic of Iran have returned dissatisfied with the medical treatment. Instead of being in hospitals, these wounded fighters were dragged from mosque to mosque in Tehran, where everyone wanted to touch the fighters who incurred wounds on, as they say, Allah's path.

The Party of Democratic Action of Tuzla published a statement in its local paper ZMAJ OD BOSNE, claiming among other things that the wounded fighters disgraced Tuzla with their behavior in Iran and that they do not deserve further treatment and rehabilitation. [end recording]

EC Observers To Establish Headquarters in Knin

LD2302143693 Zagreb Radio Croatia Network in English 1305 GMT 23 Feb 93

[Text] The EC observer mission has announced that it is to establish its regional headquarters in Knin. However, the mission could face problems in this, as Serb irregulars in the Knin area are not allowing its members free passage. The head of the EC observer mission, (Henrik Kiel), has said that not one passage is open in UN-controlled Sector South and that the Croatian authorities have offered to open a passage via Pakovo Selo. (Kiel) also said that the UN resolution concerning the banning of flights over Bosnia has been violated seven times during the past week, but not by the Croatian side.

Arkan Denies Volunteer Guard Leaving Krajina

LD2302153793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1234 GMT 23 Feb 93

[Text] Belgrade, 23 Feb (TANJUG)—The commander of the Serb Volunteer Guard [Srpska Dobrovoljacka Garda—SDG—a Belgrade-based paramilitary unit] Zeljko Raznjatovic Arkan denied the claims of the Republic of Serb Krajina [RSK] government's Minister of Internal Affairs Milan Martic. According to Martic, Arkan was ordered to leave Krajina because of "his interference in politics and his brutal behavior toward the local population."

In separate statements for two Belgrade newspapers—POLITIKA and VECERNJE NOVOSTI—Arkan stated that the Serb Volunteer Guard will stay in Krajina. For VECERNJE NOVOSTI Arkan stated that the SDG will stay in Krajina and that he will fight "until we regain the lost territories and until the liberation of Krajina people is completed."

In his statement to POLITIKA Arkan stated that he has been a member of the Republic of Serb Krajina's government for nearly one year (since 26 February 1992) and that "he has a right to interfere in politics."

"The stories about our brutality toward the local population are ordinary lies," he said and added that "only deserters" could bear a grudge against his volunteers because members of SDG "took them back to the units."

In his statement for VECERNJE NOVOSTI Arkan stated that "he has been the RSK president's special adviser for almost a year" and that "he was not doing anything behind the scenes and he did not want chaos in Krajina." He also said that his volunteers "has not and would never behave incorrectly to the people of Krajina."

Arkan also denied Martic's claims that he was behind a coup against Vukovar police officials.

Raznatovic stated that he was the one who was supporting reconciliation at a meeting in Vukovar police station and that he did not cause any incidents in Vukovar.

Reacting to the accusation that "Arkan's Colonel Mihajlo Ulemek brought about a reign of terror in Obrovac," Raznjatovic stressed that he supports his colonel and that the "commander of the 4th Brigade [Krajina forces] Jovo Dopudja was the one who issued the order to evacuate Obrovac."

According to Arkan, Dopudja is to blame "for the desertion of one whole brigade, and it was normal for Ulemek to react energetically and to slap Dopudja."

Arkan claims that his volunteers saved Obrovac and that they delivered 17 trucks of food, fuel, medicine and cigarettes to that town. In current clashes in Krajina, Arkan stressed, 7 SDG members were killed and 30 were wounded.

Daily Reports Attempted 'Coup' in Krajina

AU2302125593 Belgrade BORBA in Serbo-Croatian 17 Feb 93 p 3

[Report by G. Katic: "The Krajina Bureau in Belgrade: Martic, Spanovic and Babic Attempt a Coup"]

[Text] Milan Martic's [Republic of Serbian Krajina interior minister] interview yesterday raised the degree of alert in the Bureau of the Government of the Republic of Serbian Krajina in Belgrade. The telephones, which remained dead until late afternoon, lent an especially somber tone to the whole atmosphere. (It is not yet certain who disconnected them.) Although no one in the bureau was in the mood to comment on Martic's interview, Zoran Bogavac, head of the reporters' bureau of the ISKRA news agency gave in to our pleas.

What we have here is an attempt by the Martic-Spanovic [former Krajina defense minister]-Babic [Knin municipality president] axis to carry out a military-political coup in the Krajina. They attempted to discredit Zecevic's civilian government [as published], and they tried to set up a military-police management, Bogavac declared for BORBA yesterday, stressing that he was speaking in the name of the whole Bureau of the Republic of Serbian Krajina.

The Bureau's mistake was to send 5,000 volunteers seen over there as chetnik-ideological sabotage devised by Serbia. They are wondering who could benefit from the political destabilization of the Krajina at a moment when it is in a state of war, when there are diplomatic attempts to return Krajina to Croatia, and at the precise moment that President Hadzic is not in the country.

This office of the Republic of Serbian Krajina, which Bora Mikelic recently called illegal, apart from sending volunteers, also sent humanitarian help in the form of food and medicine. It also had the role of Foreign

Ministry in the Government of the Republic of Serbian Krajina. We are told that if this office is terminated, the umbilical cord between the Krajina and Serbia will be cut.

The Bureau is especially irritated by Martic's statement that it is a den of former State Security members [debejac]. We were told that the only person who had anything to do with security and who was on the Bureau's premises yesterday is Dusan Orlovic, former head of Security in Krajina and now an adviser in the government of the Republic of Serbian Krajina.

The volunteers returning from Krajina, says Tanja Bulatovic, tell us that they are not fighting against the ustashas [Croats] there, but against the chetniks [Serbs]. She adds that hiding behind the phantom Alliance of Communists-Movement for Yugoslavia [SKPJ], there is a conglomerate of political-intelligence-military-semicivic services which have power, money, a network and interests, and which now that the war situation has been somewhat stabilized, are bothered by the volunteers because there is a danger that the war glory will not go to Martic. It is common knowledge whose figurehead [kvisko] Martic is.

In the Republic of Serbian Krajina's Bureau they say that the only good thing in this whole mess is the fact that all these, no matter how painful, political struggles are waged publicly, and it is clear who is working for whom: Who for Krajina, who for Serbia, and who for positions of authority [fotelje].

Frequent Reshuffles Destabilize Krajina

AU2302133593 Belgrade BORBA in Serbo-Croatian 16 Feb 93 p 3

[Report by Srdjan Radulovic: "I Offered My Resignation"]

[Text] Knin—Yesterday, Milan Martic, interior minister of the Republic of Serbian Krajina, was a guest in the studio of Radio Knin. His statements not only captured the attention of listeners but also that of several reporters accredited in Knin. Several "hot" topics came up, among them the last meeting of the Krajina Government, Martic's attitude toward Arkan and "individuals in the government, the arrest of the former director of Knin Radio Television Network, Milan Grkovic," and the member of the "Labrador" group....

"Stojan Spanovic's removal from power was not exemplary. He was one of the most hardworking of the ministers, and he contributed enormously to the people, yet he was removed at the worst possible moment. He was blamed for things that were not his responsibility, so at one point I supported his case and offered my resignation. Maybe I was mistaken in not making my resignation irrevocable," said Martic regarding the removal from power of Colonel Stojan Spanovic, defense minister in the Krajina Government, which took place at the last meeting of the government. He related this with earlier attacks of "individuals" on certain officers, who were accused of being under the influence of the SK-PJ, of wanting to reestablish a Yugoslavia stretching from the Vardar River [in Macedonia] to Triglav [national park near the Slovene-Italian border], and who Martic claims he wanted to protect because they were first and foremost, honorable people and patriots.

Zeljko Raznatovic Arkan [paramilitary leader and Serbian parliamentary deputy] was also present at this government meeting. His presence, claims Martic, was justified by the fact that he is a special adviser to the president of the Republic of Serbian Krajina, Goran Hadzic, and is therefore entitled to attend government meetings.

"I was surprised, but I nevertheless accepted this explanation," said Martic and added that he believes that Arkan's soldiers have come here to fight for the Serbian people. He commended them and members of other volunteer units on this.

The work of the Bureau of the Krajina government in Belgrade was also discussed. Martic said that this Bureau now employs the former head of Krajina's State Security Service, along with other members of this service, people he fired last year because they were "doing a bad job." Their employment in the Bureau was supported by Krajina's prime minister, Zdravko Zelenovic [as published]. He added that the former Security head, Dusan Orlovic, had brought with him "someone called Bogavac," who writes all sorts of nonsense about certain Krajina people in DUGA and who makes things up and slanders honorable patriots." In answer to a question posed by listeners who wanted to know whether claims that the Bureau had supplied the money for decorating the apartments of certain Krajina officials were true, Martic said that this needs to be investigated, but that it is "certain that some things regarding the Bureau need to be changed, so that its activity is in the interests of the Republic of Serbian Krajina."

I Was Never In Conflict With Babic

Many of the questions mentioned the Belgrade apartments of several Krajina officials, but Martic said that it is up to the Republic of Serbian Krajina's Assembly to clear this issue with appropriate arguments, and he added that an Assembly meeting should be called to "settle certain things."

An unavoidable topic was the frequent change of Knin Radio Television Network directors. The government's director Milan Grkovic, flanked with armed guards, first threw out "Babic's" director, Drago Kovacevic. Then Grkovic was arrested, and the Republic of Serbian Krajina's Minister of Physical Education [ministar sporta], David Rastovic, was appointed. Although Martic agreed to this appointment, his police officers denied Rastovic entrance to the radio station. Yesterday, Martic was met in the offices of Radio Knin by the old-new director, Kovacevic. Martic expressed surprise that the government was taking such an interest in the

network's problems, and he said that certain formal issues regarding authority over this institution still had to be settled. Regarding the arrest of Milan Grkovic, who was a member of the "Labrador" group, Martic said that he had been "appointed director by Zecevic on the recommendation of Orlovic." Martic did not give an explanation as to why Grkovic had been arrested, except to say that this was done because of a "criminal offense that can not as yet be made public."

Commenting on his present relations with the president of the Knin municipality, Milan Babic, Martic said that they had never been in conflict with each other and that they had always had the same objective. There were some differences regarding the concept of realizing this objective, but those are nuances, said Martic. Following this, President of the Republic of Serbian Krajina Goran Hadzic's statement to TV Politika was broadcast. In this statement, Hadzic claims that the mobilization was a complete success in all municipalities except Knin, where the response was about 70 percent. This was brought up regarding Babic's activity. Martic denied this claim and said that in Knin, the mobilization produced results above what was expected and that Babic, among others, should be given credit for this.

Finally, Martic denied rumors that Krajina was "being sold" and said that Serbian President Slobodan Milosevic "is paying maximum attention to the Republic of Serbian Krajina and said that he will not leave these people in the lurch."

After this somewhat unexpected public address by Milan Martic, we should expect the reactions of "certain people" in the Government of the Republic of Serbian Krajina. Namely, after the above-mentioned government meeting, none of the Krajina officials ventured to explain the events taking place at the top of the Krajina leadership. Even Martic refused to comment on them. He has since changed his mind, which only confirms the seriousness of the conflict and the attempts of one of the opposing sides to gain advantage in future public opinion.

In circles close to "certain people" in the Republic of Serbian Krajina Government, there are rumors that the last government meeting is a continuation (and consequence) of the conflict between the so-called Serbian hardliners and those who want to resurrect Yugoslavia. Both sides deny the claims of the other and refer to support from Belgrade, from Slobodan Milosevic, that is.

A Blatant Power Struggle

Zeljko Raznatovic Arkan also commented on this for BORBA. He confirmed that he was present at the government meeting, because on 26 February last year, he was appointed special adviser to the president of the Republic of Serbian Krajina, Goran Hadzic.

"What is currently happening in the Republic of Serbian Krajina, is a blatant struggle for power. Spanovic has been removed from power, although he is not to blame. However, a sacrificial lamb had to be found to cover up for the person really responsible for slips in the organization of the Republic of Serbian Krajina's defense. This person is Milan Martic. To fight for power at such a moment and under such circumstances is pure impertinence. These people do not deserve this. They have already been hoodwinked a number of times. That is why I believe in this government; I trust that it will persevere to the end and that with certain changes among its members it will successfully resist the clique from the SK-PJ, and realize that for which we are all fighting—a unification of Serbian lands," said Arkan.

In answer to the question of whether these are consequences of a scenario created in Belgrade, behind which is a certain option for the Krajina's status, the "Tigers" commander said that he does not believe that the background to this conflict is a disagreement on options to do with solving the Krajina's status, or that these are moves made in Belgrade with the alleged objective of turning Krajina over to Croatia.

Krajina Serbs Want All-Serbian Union

AU23021428 93 Novi Sad DNEVNIK in Serbo-Croatian 18 Feb 93 p 5

[Interview with Zdravko Zecevic, prime minister of the Republic of Serbian Krajina, by an unidentified reporter; place and date not given: "East River— Unnecessary Episode?]

[Text] The official delegation of the Republic of Serbian Krajina [RSK] departed for New York. In the United Nations building on the East River the talks started yesterday between Conference on Yugoslavia Cochairmen Vance and Owen and the members of the delegation of the RSK, led by RSK President Goran Hadzic. According to the first incomplete information, the first round consisted of learning the views of the Serbian delegation, and, according to RSK Prime Minister Zdravko Zecevic, the delegation presented the Resolution on Relations Between the RSK and Croatia.

[Zecevic] Yes, we really decided at the last moment that our delegation should go to New York, although we still believe that there is nothing we should look for at the United Nations—neither there nor nor anywhere else—until the Croatian army withdraws 10 km behind the border line. We are not so naive as to believe that the Security Council will threaten Croatia with sanctions on the recommendation of Vance and Owen, just like they unnecessarily did to Yugoslavia, if the Croatian army does not withdraw within a certain deadline behind the border.

[DNEVNIK] Mr. Zecevic, if you really believe so, why did you go to New York?

[Zecevic] First and foremost because of promotion of the RSK. Until now there were always some letters from the EC cochairmen, General Nambiar, and others, addressed to a certain person, whether to the president of

the RSK, or the prime minister, or some third person, while the heading never referred to the RSK. We insisted on that seemingly formal, yet very important thing, and recently we have received an official, I would call it legitimate, letter from one of the cochairmen, that was addressed to the RSK. That is the international promotion of our state! Our delegation in New York will not accept any meeting, whoever may want it, if we are not treated as the official delegation of the RSK. That is the first reason for our decision to take part in negotiations.

[DNEVNIK] You are probably well acquainted with the contents of the resolution that was presented to Cochairmen Vance and Owen by President Hadzic in the name of the RSK. What is it about?

[Zecevic] I would rather not discuss details on this occasion, because it would take both time and space. I will tell you only this: the resolution is made and composed in a way that absolutely protects the identity of the RSK.

We made it quite clear to Vance and Owen that the RSK is a state of Serbian people, and not some province. I beg your pardon, but Yugoslavia is torn apart, divided into constituent units, so why couldn't Croatia or Bosnia-Hercegovina also be divided into constitute units? The Serbs in Croatia have never been an ethnic minority, but always a people, just as Croats and Serbs have never been ethnic minorities, but always peoples. That must be made clear to Vance and Owen. That must be also made clear to the United States, which has engaged, as I was told this morning by President Hadzic, some expert of theirs on the question of ethnic minorities, who should negotiate with our delegation. That gentleman has no business in the United Nations, if he has the ambition, like Tudjman, to "convert" us into an ethnic minority.

[DNEVNIK] What is the issue that will be most insisted upon in New York?

[Zecevic] We will insist on abiding by Security Council Resolution 802, which is to say Vance's plan. To be more clear, we will demand that Croatian forces withdraw to the borderline, where they used to be before this aggression of theirs. If the cochairmen succeed in abiding by the Resolutions 802 and 762, which is to say the withdrawal of the Croatian army from the Miljevac Plateau, then we can continue the peace talks with the Croatian delegation but only from the aspect of good-neighborly relations of two states.

[DNEVNIK] Do you take into consideration the special status for the RSK?

[Zecevic] No way! Our only chance of survival is making the union of Serbian states. Do you know what will happen to Serbs in the RSK if we hesitate and wait? All of us will be expelled from that region or physically exterminated. However, it is still better to be killed in an honorable fight for preservation of the Serbianhood and the Orthodox Church, than to be doomed to a silent, long-lasting death.

[DNEVNIK] The Prijedor Declaration, regarding the question of the union of the RSK and the Serbian Republic in Bosnia-Hercegovina [RS], has been more and more discussed.

[Zecevic] The sooner we do it, the better off the Serbian people in the RSK and the RS will be. Europe, better to say the Vatican, will never approve that union, for we are even now the thorn in its flesh, but I repeat, we can survive only in the case of all-Serbian unity on the territory of former Yugoslavia.

[DNEVNIK] However, it appears to me that the leadership of the RS does not view the issue so radically and the leadership of the FRY, that is to say Serbia and Montenegro, even less radically.

[Zecevic] It is really courageous to say it, to admit and accept it, but it is so. However, a political, military, or any other leadership of one state cannot and must not place itself above its own people. If tomorrow a referendum were to be conducted in Serbia, Montenegro, the RSK, and the RS, I guarantee that at least 80 percent of the Serbian people, and I stress the Serbian people, would endorse the creation of the union of the Serbian states. It is our people who must be asked what they really want. Yugoslavia was twice created in history, and should we fall into the same trap again, artificially making a state that, objectively viewed, cannot be preserved?

[Box, p 5]

Soldiers Are More Needed Than Officers

[Zecevic] I also use this opportunity to publicly state: At this moment we need soldiers and younger officers who will stand up to defend their motherland, rather than timeworn officers of the former Yugoslav People's Army, who dawdle away their time in Belgrade. Whoever joins us to courageously fight will be received as if he were one of us. However, at the airport of Udbine I was quite accidentally a witness to gentlemen officers rushing into a plane to occupy seats, while there were as many as four planes for Belgrade. We do not need such officers.

There Are No Untouchables

[Zecevic continues] Defense Minister Stojan Spanovic resigned. So what? Perhaps Zecevic might do the same tomorrow, or Mile Paspalj [Krajina assembly chairman], or someone else. There are no untouchables nor anyone to be considered above the people. Has Minister of Internal Affairs Milan Martic resigned? True, he wanted to support Spanovic in a way, so he announced his resignation, but the government did not accept it, because Martic is still Martic, the Krajina legend. We told him that it would be absolutely harmful for our policy if we accepted his resignation. We have to realign ourselves as we go along! Zecevic is not a heaven-sent man! We need new, more resolute and capable people. In a certain political moment the present leading people, if

I may say so, emerged on the surface, and tomorrow there will be some other people, and that is absolutely to be expected, because it is the people who will later vote in elections, not single politicians.

Krajina's Djordjevic Views U.S. Plan

AU2302120693 Belgrade INTERVJU in Serbo-Croatian 19 Feb 93 pp 10,11

[Interview with Zoran Djordjevic, chief of the Washington office for the delegation of the Republic of Serbian Krajina, by Ivana Jovanovic; place and date not given: "Eleventh-Hour Warning"]

[Text] At the beginning of February, Geneva threw the Bosnian hot potato over the East River to the United Nations. One cannot still be sure if this was a consequence of the helplessness of the Geneva negotiators, or if it was a last desperate attempt to solve the Bosnian conflict peacefully with the help of the new U.S. Administration. We talked with Dr. Zoran Djordjevic, chief of the Washington office for the Republic of Serbian Krajina.

[Jovanovic] How do you view the plan of the new U.S. Administration, since you are close to the White House, and what should be the effect of U.S. strategy and prolongations?

[Djordjevic] One should understand that U.S. policy, both domestic and foreign, are being formed and directed in a very dynamic way. Some interests are more profound, some are more superficial and ephemeral. One of the more profound ones for America's engagement with the Bosnian issue, as well as for the creation of a new peace plan, is the need to maintain the hegemony over the Western political leadership, and to preserve the reputation of the United States as the only remaining superpower. There is also the need to meet the demands of its strategic partners in the Islamic world, above all, Turkey and Saudi Arabia.

One of the superficial reasons for the creation of a new peace plan is that Clinton criticized Bush during the presidential campaign because of his attitude toward the war in Bosnia. Also the U.S. media have their own special reasons for being interested in the war in former Yugoslavia. From the first day of the Clinton administration, the media have started to call upon him, and demand action. In such an atmosphere it is quite natural that the new Administration felt the need to put forward its own plan for settling the war in Bosnia. In any case, the new plan was compiled and issued very quickly. The reason for issuing it now, in view of your remark on strategy and prolongations, is to be found in the rush decision of the cochairmen of the Geneva conference, Vance and Owen, to move the conference to New York, which is to say into the U.S. political sphere. Actually, Vance and Owen knew that Clinton had to step forward in public with a new U.S. policy, perhaps more radical than the present policy. Afraid that the change in U.S. policy might annul many months of their efforts, the cochairmen made a move, like all good bureaucrats, so as to finish the task, or rather saved. They hoped that by moving to New York and proceeding with the issue in front of the UN's eyes, they would put pressure on the Bosnian Serbs, and force them into accepting the entire Geneva plan. Thereby they would bring the new U.S. Administration to a dead end, and prevent it from annuling their efforts by changing the policy.

In such a light, the "strategy and prolongations" of the new U.S. administration in the last two or three weeks reflects the political maturity of its officials. They have refused to be manipulated and discredited. By expressing their disagreement, they prevented Vance and Owen from imposing their plan on them. The question of Bosnia became a more significant foreign political questions. It is obvious that Clinton's people also want finally to solve it. The fact that they have refused to make careless decisions before they have considered all the aspects of the problem is proof of their sobriety. The Serbs must be aware that this is both a relief and a warning.

[Jovanovic] President Clinton's plan contains six basic strategies. Which elements of the plan do you think are the most important?

[Djordjevic] First, the plan expresses the decision of the U.S. Government to play the role of decisive political arbiter in solving the Bosnian conflict, as well as in all the other regions of former Yugoslavia. That is probably done out of a need to demonstrate to Europe and the rest of the world that no other power is capable of forcing out political or military solutions in the way the United States can. An important element of the plan is the explicit reference to the U.S. Armed Forces. It refers in one place to the army in terms of protecting the implementation of the peace plan after its adoption. In another place it refers to the Armed Forces in terms of the United States being ready to intervene in "the event of clashes in Kosovo and other regions."

As for the first element, it is very important that the Serbian representatives understand that from now on they are negotiating with a serious power that has invested its own reputation in these negotiations. Reginald Bartholomew, who is a top negotiator, represents that power. I am not suggesting that Serbs should feel intimidated, or that they ought to make unreasonable concessions. However, one will have to pay more attention to the future negotiations in which the United States will also take part, one will have to behave more seriously, and make more efforts. The fact that the U.S. government is introducing its troops into the game means that it will insist upon the implementation of the Bosnian plan, whichever one is accepted.

This is a special warning to the Serbian negotiators, who often have a habit of taking everything for granted, signing agreements in the belief that they will never be implemented. In the present situation, such behavior is very risky. If the United States is provoked into

defending its reputation by force, it will do it with ease. However, I am afraid that mentioning Kosovo is very dangerous, and quite careless from the U.S. side. By committing itself to intervention in the event of clashes in Kosovo, the U.S. is actually placing itself as a hostage in the hands of the ethnic Albanian extremists. It is true, though, that they specify "clashes caused by Serbian actions." However, if it comes to bloodshed, it will be impossible to prove that the clashes were caused by ethnic Albanians, and not Serbs. For all the conflicts in former Yugoslavia, only the Serbs have been accused, regardless of who actually started them. So it is hard to believe that it would be different in the case of Kosovo. It is particularly disadvantageous for the Serbs, if this serves as call to arms for the ethnic Albanians.

[Jovanovic] Are there any positive elements for the Serbs in President Clinton's plan?

[Djordjevic] The second point states that the warring factions should realize that the war can be ended only through negotiations. It also states that no solution can be forced, but the factions must reach peace through agreement, and that every faction must be ready to compromise. This part has diverse positive meanings, and the Serbian faction has to persist in its insistence upon it. First of all, up till now blackmail has been one of the main arguments of Vance and Owen, as well as of other peacemakers and mediators in the Yugoslav wars. They have been threatening the Serbs (only the Serbs) with anything they could think of—from a century-long blockade to massive military intervention that aim at the complete biological extermination of Serbs west of the Drina. One should expect that the new U.S. envoy, and soon also the Russian envoy, will lose their self-control from time to time, and deliver similar threats as well.

All such real and unreal blackmail should be responded to by pointing to the second point of the Clinton plan, which states that a solution cannot be forced, and that it must be agreed upon. The last part of this refers only to Serbs. The plan's author wanted to say that Serbs have to reconcile themselves to losing some of the territories, factories, roads, and a part of their people. Unfortunately, its author should not have stated it so generally. When literally interpreting the text, it means that also the Croats and the Muslims cannot get everything they want. It is also advantageous that Serbs have been given the chance to present their views and beliefs directly to the U.S. Government, and that the services of the U.S. Government can be in a way "educated," that is to say, acquainted with the problems and sufferings of the Serbs in Bosnia-Hercegovina and Krajina. Such communication may have a very positive effect on the U.S. attitude toward the Serbs.

[Jovanovic] Is it true that, following the U.S. plan for Bosnia-Hercegovina was produced, according to the European centers of information, the possibility of military intervention has effectively been removed?

[Djordjevic] In the short run, the U.S. plan really means that military intervention has been discounted. The Americans are very pragmatic people. For the moment, they believe that they can accomplish their goals through political and economic pressures put on Serbia, and they will surely not get involved with expensive military intervention. Of course, such an attitude can change. In the long run, many things depend on the conduct of the Serbian representatives—if they are persistent, and in future talks present favorable arguments and facts in a wise manner, the Serbs will gain the respect of the U.S., and no military intervention will ever again be considered.

One has to understand that in making the decision on intervention, the U.S. and European surveyors are worried first of all about the possible price. If the price is too high, they will not get involved in a war. In the war in Bosnia-Hercegovina the Serbs have shown much courage, but many political and military faults, as well. The West often says that the Serbs are not capable of clearly defining their military goals, and that they pay too much attention to small villages, rather than to important communication arteries. Discipline among Serbian units is low, and a lot of ammunition has been wasted. All that gives the impression of an army that is not well-organized, lacking an iron-handed leadership. This is a very dangerous matter, because it can induce some potential aggressor into thinking that the Serbian army can be easily defeated. We can but hope that the Serbian political and military leadership will make an effort to put the army in order. Thereby they can save the lives of not only Serbs, but also of soldiers of any potential aggressors. If, in any case, there comes a decline of the spirit and discipline of the Serbian units, the probability of foreign military intervention will significantly increase.

[Box, p 11]

A Very Capable Negotiator

[Jovanovic] Who is Reginald Bartholomew, the third man in the negotiating team for Bosnia-Hercegovina?

[Djordjevic] Bartholomew is a former U.S. ambassador to NATO. He is 56 years old. He distinguished himself in Lebanon between 1983 and 1986, and in that period he directed operations on terrorist groups that were holding several U.S. hostages. Apart from his other duties, he led the disarmament talks with the Soviet Union. Before he took over his job as ambassador to NATO, he had been deputy secretary of state for international security issues in the State Department. His colleagues consider him to be very able in difficult negotiations, even those with neurotic terrorists. The U.S. Government has the fullest confidence in his abilities in accomplishing the present political tasks.

[Box, p 11]

The Future of the Serbian States

[Djordjevic] Because of unfavorable global political relations, the Serbian states must implement a policy of long-term defense. The actual goal ought to be the maintenance of the military and political status quo, similar to that of the Turkish part of Cyprus.

Social Welfare Program Discussed

93BA0599A Zagreb NOVI VJESNIK in Serbo-Croatian 29 Jan 93 p 10

[Interview with Mate Granic, Croatian deputy prime minister, by Goranka Juresko; place and date not given: "Survival Program, or Model for Social Welfare"]

[Text] The most recent public opinion survey indicates that the Croatian population is optimistic when it thinks about the future, taking the view that better days lie ahead. Nevertheless, so that that future is more sanguine and less subject to concern, at least those basic existential concerns, we need a social welfare program to accompany the economic program and help the population to survive until better days arrive. That makes it necessary to know the figures on the number of future recipients of the various forms of government aid, the measures that the government will undertake, and also the price of Croatia's social welfare program. We talked to Dr. Mate Granic, professor and Croatian deputy prime minister, about the social welfare pattern of Croatia and about what can and must be done so that the public survives more easily the troubles of low pay, low pensions, and unpaid bills.

[Juresko] What is Croatia's social welfare pattern according to the most recent figures, and how many people are indigent?

[Granic] People are considered indigent if they cannot cover the basic needs of life with their income, by mortgaging or selling property, through family solidarity, or in some other way. We do not at this moment know the precise number of indigents nor is it possible to make a very precise estimate, although we believe that the number is quite substantial. Among other things, this can be concluded from the figures on the unemployed, on recipients of low pensions, on recipients of the family supplement.... That is why I think that Croatia's social welfare pattern can be learned from the figures that in a population of 4.7 million, according to the 1991 census, the country has 261,489 unemployed, 805,767 pensioners, 43,000 workers receiving the minimum pay at the moment, 180,000 recipients of various material forms of social assistance, 34,000 recipients of rent subsidies, while 190,000 workers are receiving the family supplement (for a total of 342,000 children), and the employed labor force numbers only 1.1 million. We should add to this that Croatia is caring for 265,000 displaced persons, 403,000 refugees, and there is a particular concern for 40 children who lost both parents in the war, 36 children who are severely handicapped, 3,708 children who have lost one parent, as well as 23,062 persons disabled in the homeland war, and their number will increase with the return of those recorded as missing or taken away by force. And if we add to this the fact that 20 percent of the territory of the country is the UNPA [UN-protected areas] region, and another 4.3 percent is the pink zone, it is clear that the situation is difficult, but not insoluble.

[Juresko] Does Croatia have a model of a social welfare program which, as announced, it will soon apply?

[Granic] There are several models for protection of indigent groups that are well-known in the world. For example, Sweden has a so-called preventive welfare model, for which we certainly do not have the money. Reagan's model, or the hard U.S. model, was to determine a fixed figure of how much could go for social welfare and to rely on humanitarian charities based on donations made by individuals, and on large private donations. In that way, it was possible to increase the price of labor and reduce social benefits and pass the burden on to humanitarian organizations so that the quality of social welfare would not undergo essential change. In Germany, they have a good model for the welfare of indigents, but they have important humanitarian organizations—church organizations and other nongovernmental organizations which have a high quality of protection of indigent groups and financing of certain preventive programs.

In the phase of a state that has just been created and is just joining international groups, while a part of the territory is occupied, and with the burdensome consequences of the war, an inefficient economic system, an administration that has not been built up, and during the period of drafting the laws that represent civilization, with the consequences of the war in B-H [Bosnia-Hercegovina], with considerable, but insufficient international aid, especially financial aid, there is only one model available to us, and that is the interventionary model. This means protecting the most threatened groups of the population and distributing the burden of the war and its consequences as uniformly as possible at this moment. At the same time, this must not have the effect of a disincentive on investments and privatization, because it is quite clear that unless we actively create jobs, without strong privatization, without a considerable inflow of foreign capital and quality investment, there can be no rapid and essential steps forward.

A Model Relying on the Family

[Juresko] What does an interventionary program signify?

[Granic] It means that we need a very precise picture of the situation, still more precise than the one we have at the moment. In that picture, we should look not only at the individual, but also the family, and adopt criteria for someone to use in saying who is indigent and certainly the accompanying measures. It is quite certain that some

of the responsibility must be borne both by the individual and the family. The government should offer basic protection, but the social welfare program must not threaten the overall economic program and stabilization program. Put simply, this means that at the end of the year the value of wages received must be 10-percent greater in real terms than at the end of last year.

[Juresko] Do we know what measures might help the population to weather everyday troubles?

[Granic] Some measures already exist, such as the welfare supplement to the pension, the family supplement, rent subsidies, and general social welfare. But a number of elements will have to be taken as a criterion for allocating various types of aid, not just property alone, for example, which has been the case up to now. The greatest effort will be applied to the criteria. Three types of measures are needed in addition to money compensation: assistance in the form of food—family packages, and then directly in the payment of utility bills, as well as rent subsidies. Of course, we also need a law on bequests so that humanitarian organizations become involved to the fullest; without them, we would not be able to survive at all with the model for the displaced persons. Accordingly, the good model from the system for displaced persons should be transposed to the social welfare model. The trade unions will also be actively involved by agreement in the drafting of these measures, and in future aggregate wages and salaries will be controlled through the progressive taxation that is customary by European standards.

[Juresko] In the first assault to carry out the economic program, we can anticipate a larger number of unemployed, but also lower wages, that is, an even greater number of those who will not have enough even to eat. Is there a solution for that, and where is the money to come from?

[Granic] One of the additional measures which I have not mentioned is organizing soup kitchens, which have yielded good results in Zagreb and Dubrovnik. That program will also have its price, but it should not be forgotten that the program is called interventionary or a survival program because it covers basic needs, but it guarantees no more than that. This is a realistic program for this year, and it depends on how quickly the displaced persons return, how rapidly inflation is halted, on whether there will be a tourist season, because one tourist season is worth more to us than any international loan. How that project will look in the end depends essentially on numerous factors, and we must simulate all models. Croatia must take maximum advantage of the UN resolution on aid in caring for refugees and on reconstruction. But it is completely clear that we can begin reconstruction in Lipik, say, but not in the occupied areas. Both the life of this program and the way in which it is financed depend on all those facts.

Not a Step Toward the UNPA

[Juresko] How will the tourist season be organized when refugees and displaced persons have been put up in a large number of hotels on the Adriatic?

[Granic] It should be clearly stated that Croatia has full control over the situation with the displaced persons and refugees. In all, 750,000 people have been displaced in Croatia. The highest number at any one time was about 385,000 displaced persons and 250,000 Croatian refugees abroad. We now have 265,000 displaced persons, which also includes those who have returned, but retained their rights as displaced persons, and there are 73,000 persons abroad. In short, all the rest returned, from Osijek to Dubrovnik, wherever it was possible. The real problem is how to return the displaced persons to the occupied areas and integrate the UNPA into the governmental and legal system of Croatia. The UNPROFOR [UN Protection Force] has done the first part of the job, because most of the Yugoslav Army went away, and the heavy weapons are partly under surveillance, but the United Nations has not reestablished control of the border, in spite of all the resolutions. Not only has not a single displaced person returned to the occupied areas, about 3,000 new displaced persons have arrived, and about 500 people have been killed. President Tudjman has been regularly informing the Security Council about what has been happening and about nonfulfillment of the obligations of the UNPROFOR. Reestablishment of communications was another reason for this action at the Novski Gorge, because the rebels did not want to move from areas from which they were supposed to move without any sort of conditions or blackmail. On economic, political, and humanitarian grounds and because of security, Croatia undertook an action and warned both the rebels and the international community that there is no discussion about the fundamental interests of the Croatian state and Croatian territory. The basic objective is to guarantee the return of the displaced persons, and until that time to provide them decent accommodations and facilitate the tourist season. In collaboration with the Trade and Tourism Ministry, we are preparing a general plan that will include security measures and incentives for the tourist economy and moving the displaced persons from hotels, some of them closer to the places they will go back to and others to vacation facilities or adapted structures. Except for two or three small groups of displaced persons, there are no major problems at all. In any case, it is assumed that about 15,000 displaced persons will go back following this action of the Croatian Army.

New Registration of Refugees

[Juresko] The refugees from Bosnia-Hercegovina seem to be a larger problem.

[Granic] Croatia is carrying the immense burden in the sharing of international concern, perhaps the greatest one, and on that basis it has been given good marks by the international community, and they have had an

essential impact on the assessment of democracy in Croatia. That support has been stronger than the gratitude of those to whom the Croatian state offered refuge. However, we will continue to respect two principles: national interests and international humanitarian law. Decisions have been made in that respect in past days that will put more order into caring for them. I am referring to the new registration of refugees and the discontinuation of unregistered settlements, which are only causing harm to Croatia. In that segment, we expect international aid, because for the health care of refugees alone we have spent $62 million, for schools another $26 million—a total of $550 million by the end of the year. It is true that all of that was not paid by the Croatian Government alone, but we should be aware that prices were not realistic either, nor did the families who accommodated them receive real compensation.

[Juresko] There are a great many social welfare problems, and a rapid reaction is being demanded. When can we anticipate the entire program, complete with the number of recipients, the measures, and the price tag?

[Granic] It is an obligation on all the competent authorities that this be done within one month at the latest.

Peterle, Croatia's Skrabalo Plan Cooperation

93BA0582F Ljubljana DELO in Slovene 4 Feb 93 p 1

[STA article: "New Foundations for Relations Between Slovenia and Croatia"]

[Text] *The foreign ministers of the two countries met at Otocec; agreement on solving all the acute problems.*

Otocec, 3 Feb—Last night Slovene Foreign Minister Lojze Peterle and his Croatian counterpart Zdenko Skrabalo talked at Otocec, and after the talks they made a joint statement, in which they emphasized, among other things, that Slovenia and Croatia had started to develop friendly relations again and settle the unresolved issues between the countries.

According to Slovene Foreign Minister Lojze Peterle, the talks proceeded in a friendly atmosphere. The ministers touched upon economic cooperation and the problem of demarcation between the states, and agreed to determine a precise procedure for solving the problems. A meeting at the level of government delegations is thus to take place within the period of 14 days.

Both sides will form groups that will include ministers and experts on individual issues. Consequently, during the next two weeks, there are to be meetings between the ministers of internal affairs, defense, transportation, the economy, and possibly also several other ministries, and expert groups for demarcation between the two countries.

Both foreign ministers will meet once again before the intergovernmental meeting.

Both sides also agreed today that the ministries would hold off on actions that could harm bilateral relations. As Minister Peterle said, in today's talks both sides "established solid foundations for settling the unresolved issues well and to the mutual satisfaction of our two countries in the foreseeable future."

Peterle asserted again that the Republic of Croatia was "in first place" in Slovenia's interests, since they are linked by a "common history, the longest border, and a common desire for independence and peace in the world."

Croatian Foreign Minister Skrabalo also said that the intensification of mutual friendly relations was in their mutual interest. According to him, Slovenia and Croatia "belong to the same family," are "very close," and must solve problems "in the spirit of friendship."

Drnovsek on Forming Coalition Government

93BA0575B Ljubljana DELO in Slovene 30 Jan 93 p 21

[Interview with Prime Minister Janez Drnovsek by Janko Lorenci; place and date not given: "Too Important for Emotions"]

[Text] *The prime minister on putting together the coalition, on Juri in Argentina and Kucan in Geneva, on the achievements of his first government, and on how he intends to deal with excessively high wages and pensions.*

[Lorenci] Did you essentially succeed in a small political miracle in putting together the coalition and the government?

[Drnovsek] Perhaps you could say so. Few people believed in it. It was not very easy.

[Lorenci] The basis of that miracle is probably still the fact that the Christian Democrats and the United List had a profound interest in entering the government. Without this, probably no skill would have helped you.

[Drnovsek] That is true, and I also proceeded from that assumption in the negotiations. I thought that it would be extremely difficult for the parties to decide to withdraw into the opposition for four years. In the end it turned out that this was true.

[Lorenci] Why did it seem to you to be so very necessary to put together a government with such strong support in parliament?

[Drnovsek] Any other version that did not include these two large parties would have been very borderline, and internal difficulties also could have arisen with respect to individual parties, and I thus felt that such possibilities would be too risky and would be hard to maintain for any long period. Furthermore, I just wanted to avoid a repetition of the story in which during the coming years we would only call each other reds and blacks and so forth.

[Lorenci] You probably did not strive for such a broad coalition just for the sake of a more comfortable position in parliament, but also so that it would be easier for the government, with its varied array of parties, to overcome various social pressures, and so that it would consequently also have a better position outside parliament.

[Drnovsek] That is true. A fairly strong government is needed for this, strong support in parliament, and in many cases an agreement among the strongest parties on how to confront these problems is also needed for this. In my opinion, it is best to do so in the government; it will thus be possible to act from a solid position both in parliament and outside it.

[Lorenci] Can we talk now about government trade unions, since the "union godfathers"—the United List and the Social Democrats—are also participating in the government?

[Drnovsek] I would hardly use that expression. Those parties have already participated in the government in the past, but the trade unions were often quite bad. I hope that with these parties' cooperation it will be possible to achieve a consensus on the key issues, and also an agreement on what Slovenia can financially afford during this period.

[Lorenci] Did you have any sort of agreement with the Christian Democrats beforehand?

[Drnovsek] No. There were many hints, but they were all false. There was no such agreement. The hints occurred primarily because of the fear of several parties that they would lose their significance if such an agreement were adopted. That is the reason for these constant allegations. The agreement was reached during the last week of negotiations, at the very end. Things were open the whole time, and until then I myself was not convinced as to whether we would reach an agreement or not. That is why I had alternative versions in play the whole time.

[Lorenci] Including a minority government?

[Drnovsek] Yes. Of course, that would have been a considerably weaker possibility, and I tried to avoid it.

[Lorenci] If that were the last possibility, would you have decided on it, or would you have preferred early elections?

[Drnovsek] First of all, in spite of this, I would have tried a minority government.

[Lorenci] The formation of the coalition was actually a big game of poker. You were the only one who more or less saw all the cards. Was that your main advantage?

[Drnovsek] In a way that is true. Some parties criticized me for that, but why would I abandon the advantages that I had to please them? Of course, it helped me to put together a complicated arrangement.

[Lorenci] After these negotiations, the impression was strengthened even more among the slightly better informed public that you function like a well-oiled machine for calculating all the possible combinations, like a machine that completely excludes an emotional component.

[Drnovsek] (Slight laugh.) I do not know whether I would use such expressions. I think that a person in the kind of position that I was in has to do that. Such important decisions cannot be made on the basis of emotions. Even I had to swallow some bitter pills in this government arrangement. I also would not have accepted all the ministers into the government that I did if I had been completely free to decide, but it could not have been done differently. The vital thing for me was to put together a government that could function. If I had failed in this for subjective reasons—whether emotional or other reasons—it would have been very bad, and I did not have the right to do so in any case. Waiting for more elections would have been a real catastrophe for Slovenia.

[Lorenci] In order to put together this coalition and government, you also had to accept several compromises. Some people say that this government actually had two prime ministers-designate: you and Peterle.

[Drnovsek] That is once again the same type of hints that were systematically spread by some people in order to create rifts in this alliance. It is not true, of course. Of course, I had to take into account the interests of individual parties, and negotiate with each of them about the ministerial bodies. Each party had the right to propose candidates for those ministerial bodies which we could agree in general belonged to them, but not outside those. Such claims are thus far from the truth.

[Lorenci] A lot is being said about the danger that the parties would divide up the individual government areas in some feudal way; the Christian Democrats, for instance, would control foreign policy. Such a distribution would have a harmful effect, among other things because the government could not act synergetically.

[Drnovsek] I will take care of synergy, as the prime minister. I will make sure that the government will act appropriately as a whole. That is why we protected ourselves with the agreements on the parties' cooperation in the government. That is one thing. In the second place, I do not understand those claims, if we have a party system and a government composed of several parties. I do not know how to settle the matter except by having representatives of individual parties get the individual ministries. It is completely normal in every parliamentary system, and why should that, precisely in our case, mean some sort of parochialization, division of fiefdoms, etc.?

[Lorenci] It was meant in the sense that a member of such-and-such a party would become such-and-such a minister, appoint only his own people under him, and start to carry out party policy in that whole field.

[Drnovsek] Such a division exists in many places in the world, and now people have also kept telling me that coalition agreements in the world are very thick and that these things are divided up very precisely—not such ministerial positions, but also others. In the negotiations, I kept rejecting and did reject the possibility of adopting separate annexes with such distributions. Such annexes do not exist in those agreements.

[Lorenci] There were suggestions along these lines, then?

[Drnovsek] Yes, but they were not accepted and carried out. We are thus left with the general normal principle, according to which a minister, to be sure, can create his own team, but that certainly does not mean that it has to be just a party team. For me, it has to be a competent team with which the minister can assume responsibility. If things do not work, I can ask about it and in the final phase, also propose a replacement.

There are no other provisions for a division of party spheres. We have the general principle that in filling different positions an attempt is to be made to consider the ratio that corresponds to parties' electoral results.

That principle applies when there are spontaneous replacements in individual positions. It would be something completely different if extensive personnel replacements were to start somewhere, purges, and if only people from one party appeared there. I would oppose that, of course. For me, the basic criterion is the effectiveness of the work.

[Lorenci] You said that you would not have chosen all the ministers who are in the government. The government as a whole, however, probably satisfies you?

[Drnovsek] I think that it will function well. I have not voice a negative assessment of any minister in advance, although, as I said, I myself would probably have chosen some other name. Regarding the ministers, it is true that they will all still have to show how "heavy" they are, and how they will work.

[Lorenci] By the way, is it true that Franco Juri is not going to Argentina?

[Drnovsek] That is one of the issues that has been unnecessarily politicized among the public, through which people are trying to split the coalition and also the LDS [Liberal Democratic Party]. For our part, the matter is clear. Juri was proposed as ambassador by the previous government, the state president sent the proposal to Argentina, and now it is up to the Argentine side to give its consent. We expect that it will happen. It is quite unusual, however, for such matters to be made public, since the name of an ambassador is usually not mentioned at all until he is confirmed by the foreign state to which he is going.

[Lorenci] It is being said a lot that Juri is one of the sacrificed leftists in your party.

[Drnovsek] Look, that is already a self-contradiction, if I proceed from the rumors that first of all I would want to get rid of the radicals in my party, and consequently I am sending them to the diplomatic service. That, however, does not go together with the fact that Juri is then supposed to have been sacrificed again, and this time, namely, by not becoming an ambassador. According to this logic, Franco Juri is supposed to have been sacrificed twice—but then he would come back again to where he left, i.e., to the party in which I am supposed to have tried to get rid of him. Altogether, it is obviously absurd and invented. I would say this: The LDS is the biggest and strongest government party, and that is why people are obviously trying to weaken it in various ways, force a possible government crisis, and get a new opportunity for themselves.

[Lorenci] You probably cannot deny that there are nevertheless tensions in your party. It is actually surprising that you have restructured it in a relatively short time with so little fuss and resistance. At least, that is how it appears from outside.

[Drnovsek] I think that it is also true internally that the atmosphere in the party is all right. That is understandable in a party that is successful, that wins, if I can put it that way. In such a large party, of course, different groups and different interests exist, but the tensions that are occurring are not too bad, they are resolved on a day-to-day basis, and they are never have the kind of seriousness that some reporters sometimes try to attribute to them. So far, it has all been completely normal and controllable.

[Lorenci] One more thing in passing—did you know, in contrast to Peterle, that Kucan was going to Geneva?

[Drnovsek] He told me that he was going, specifically for an unofficial conversation with Vance and Owen. That is something normal, and one should not look for anything else in it.

[Lorenci] Do you perhaps see it as interference by Kucan in the government's foreign policy jurisdiction? Or will that relationship remain one of latent conflict?

[Drnovsek] The government has its own jurisdiction and its own responsibilities. We will adhere to it. There should not be any particular tensions in this regard.

[Lorenci] Your first government was a markedly transitional one, and it ruled during a year that was not especially productive. Many people characterize it as a year of lost opportunities and lost time.

[Drnovsek] I do not agree with that characterization. What could be done during that year, we did, in my opinion. A year in which there are elections and all those things is a little "handicapped," in its own way. In spite of this, in the economy we tried to do what was objectively possible and what was allowed by the political situation, e.g., the kind of parliament that existed.

[Lorenci] Because of the lasting political crisis and blockade, you were really in an objectively difficult position. On the other hand, many things were, partly unnecessarily, stuck in absolutely the same place; the economic system remained very incomplete, and the economic policy was unclear, which Dr. Mencinger, for example, spoke very critically about.

[Drnovsek] I think that he was obviously representing the policy of a certain rival party. During that half year the government essentially did everything that I promised in the beginning: We put emphasis on stabilization and stopping inflation, and the achievements in that regard are undeniable, thanks to the central bank as well. The government confronted what no one had until then—the pressures from various monopolies which always solved all their difficulties just by raising prices. We stepped on all their fingers in turn, and thus made a significant contribution to stopping inflation. In restraining the growth of public spending, we tried to do everything that was possible within the framework of the laws. In the area of stabilization, in short, we did a lot. We also started to put the financial sector on its feet, and

finances are considerably better regulated. Many things have been outlined, started, and now we will be able to continue them quickly. At least we have also started the financial rehabilitation of the entrepreneurial sector, to the extent that it is possible without privatization, of course. There are tremendous problems in that regard, but few available instruments. We also completed all Slovenia's external financial and economic relations well. These are quite important steps, and I would not underestimate them.

[Lorenci] Some achievements are undeniable. On the other hand, in the opinion of serious economists, there are also reasons for overall concern. This primarily has to do with the abrupt growth of wages and the contributions tied to them, especially for pensions and health care. To illustrate, last November wages increased by a full 4 percent, and because of that pensions have now increased by more than 2 billion tolars. Here is another fact: because of the growth of wages from last February on 10,000 jobs were directly lost, because the economy obviously defends itself through dismissal. These are frightening facts, which call for alarm, and for the government to pull the emergency brake in this area.

[Drnovsek] All of these are facts and trends that required that we get a new parliament and a new government as soon as possible so that we could start to take serious measures. I have spoken emphatically the whole time about this need. You can believe me—and I have also said this already in my program statements in parliament—that we will confront these issues very decisively, that we are trying to put public spending as a whole and also wages, of course, within the limits of the capabilities that Slovenia now has, and make it possible for the economy and enterprises to have some sort of respite and get through this difficult period.

All the previous mechanisms, laws, collective contracts, and other instruments had an inflationary adjustment. We started to curb inflation, but all those instruments continued to act in the opposite direction, Since inflation has been so reduced, the income that those instruments produced became real income that was no longer wiped out by inflation. During this transition from inflation to noninflation there were distortions, excessively large incomes, but we did not have instruments and legal capabilities, even though we proposed laws to parliament as early as last spring, but the Assembly at that time did not pass them.

Once more, I will emphasize my determination that we confront these things and put them within acceptable limits.

[Lorenci] Any postponement of these measures, the experts warn, can cause catastrophic consequences. These things are not clear enough to the public, and also the government is not warning about them enough. Many economists think that we are already too late with all of this, and in that regard yesterday in parliament (we spoke with Dr. Drnovsek this Wednesday) was a bad day. On one hand, yesterday's increase in judges' wages means a reprise of last May, which launched an avalanche of pay claims and appetites. Nace Polajnar spoke about it. On the other hand, the government probably should have come to parliament as early as yesterday, immediately and at the very beginning, with a prepared package of laws with which it would carry out this necessary large surgical cut in the wages-pensions-health care complex.

[Drnovsek] You are forgetting that the government had only existed for one day and that it was not clear until the last minute where it would be successful or not. The first goal, of course, was to achieve a government! In the second place, at least in those ministries where the ministers expected that they would continue to remain the government, things were taken seriously and proposals were prepared. I can tell you that the government, immediately after it was appointed, had its first meeting, and after it the government's economic collegium, which I head as the prime minister, discussed all these problems, that appropriate activities have been initiated, and that we will take steps as quickly as possible.

The government started to take steps virtually immediately. At today's meeting, we adopted an extremely significant measure and decision to begin and support financial rehabilitation of Ljubljanska Banka. That will have significant consequences for the entire financial system and the economy.

[Lorenci] Does it seem to you that a cut in the wages-pensions-health care complex is the most important individual step, as some people think?

[Drnovsek] It is very important.

[Lorenci] Some economists are convinced that wages and the contributions automatically tied to them are already out of control and that now a snowballing effect is occurring, which is abruptly increasing the problems and can cause the collapse of the entire system overnight. If these opinions are true, no warning about this is too dramatic....

[Drnovsek] Of course not. I cannot say anything more.

[Lorenci] Isn't it true that it will be harder and harder to institute the necessary restrictions? The deputies, who in a way have already lost a lot of credibility, will probably also become a problem. They have kept their own high salaries, and it will thus be hard for them to decide to publicly cut and lop them for others. Instead of this they would rather—partly demagogically—say that it is necessary to reduce the state's expenditures, etc. In short, precious time, which is now an extremely important factor, is passing.

[Drnovsek] Time is extremely important, of course. I myself am very satisfied that we have achieved a government. Just imagine that we would now have to start talking about new elections! That clearly illustrates how fatal political uncertainty and instability can be. Well, we

have a government, it is capable of acting, and it has enough support in parliament. Let me repeat to you that we can certainly expect decisive economic and other measures from this government. For everything that you are asking now, you have answers in the program document that I presented in parliament at the time of my speech.

[Lorenci] The coalition and the government seem solid now, but the overall balance in society is so fragile that you may find yourself facing the issue of political survival overnight. There may suddenly be social unrest, and on that basis also major disagreements within the coalition and government, and through this, early elections, etc.

[Drnovsek] There are many dangers. That is why I gave priority to putting together a stronger government, even though it was more complicated than if we had started with a weak government, which would already have been at the limit of its ability to put the necessary measures through parliament. We are well aware of all the problems, and we are not underestimating them. Things are quite critical, that is clear. At this time I cannot put the direct effects on public opinion into the forefront. I am giving full priority to the measures' being right and appropriate, regardless of whether they may be unpopular; the essential thing is to ensure Slovenia's survival and possibilities for development. I have already announced—and I stand by this—decisiveness and firmness in confronting various pressures.

[Lorenci] Public opinion has to be taken into account and relied on, and it is probably sensible to explain to it with as much openness and directness as possible what the situation is like, because it will then be easier to adopt unpopular measures.

[Drnovsek] I agree with that, of course.

[Lorenci] And the public can thus become your ally as well.

[Drnovsek] That is desirable, but that does not relieve us of the responsibility. The government has to perform its duties, even against public opinion, if it cannot be done otherwise. Of course, it is often the case that good governments are unpopular.

[Lorenci] Will the other coalition partners agree with the hated belt-tightening policy?

[Drnovsek] A fairly high degree of agreement on these issues was already shown in the talks on putting together the government.

[Lorenci] Can the people from the IMF, of which we have become a full member, also force us into a restrictive policy regarding public spending and wages?

[Drnovsek] At the beginning of February an IMF mission will visit us. In the past both the World Bank mission and the IMF one favorably assessed what we planned and did in the previous government. I think that now they will also put emphasis on reducing public spending and incomes, which is more or less our policy as well, so I do not expect any disagreements on this. To be sure, Slovenia is not in a position in which it would have to accept binding instructions from the IMF.

[Lorenci] It seems that you have kept the whole economic sector for your personal leadership.

[Drnovsek] I intend to deal with it quite intensively. Now I have also appointed the government's economic collegium, which I will head.

[Lorenci] Of whom does it consist?

[Drnovsek] Primarily Ministers Gaspari, Tajnikar, and Kracun, and depending on the problem, also Umek, Puharjeva, Bohinc, and Osterc.

[Lorenci] In the previous government, economic matters were operationally headed and coordinated by Herman Rigelnik?

[Drnovsek] Yes.

[Lorenci] Why did he leave for parliament?

[Drnovsek] He himself preferred that decision, although I wanted him to stay in the government.

[Lorenci] Now that the elections are behind you and acute new dangers are also appearing along with the achievements (the erosion of our own assets through excessive wages and excessively demanding social welfare, etc.), do you still hope to speak of Slovenia as a success story?

[Drnovsek] I still think that Slovenia did well in the position that it found itself in. It could have been considerably worse. I still think that it has all the possibilities for being the most successful of the states in transition. In that regard, Slovenia should be a success story. Now that we have achieved a stable government, we have all the possibilities for taking the right steps quickly enough during the coming period. I think that it will be possible to fulfill the promises.

[Lorenci] It would be a sort of tragedy if after this little political miracle that you have carried out, this whole enormous coalition-government machine that you have put on its feet with such efforts were to fail.

[Drnovsek] I agree.

Reorganization of Government Outlined

93BA0582A Ljubljana DELO in Slovene 3 Feb 93 p 2

[Article by Marko Jakopec: "The Ministries Have Also Acquired New Tasks and Responsibilities"]

[Text] *The ministries' duties also include taking over workers who performed their duties elsewhere; there will be a lot of personnel changes in one month, but no one will be left in the street; government services and offices.*

Ljubljana, 2 Feb—At a recent meeting the deputies in the Slovene Assembly elected all the ministers who compose the new Slovene Government. It differs from the previous one primarily by the considerably smaller number of ministries, and thus also ministers. In Drnovsek's previous government, there were a total of 27 ministries altogether, but in the new government there are 15 of them, in addition to the prime minister, and two ministers without portfolio are also possible. Previous ministries have been combined in some of the "new" ministries, and some ministries have turned into government services and offices.

Drnovsek's previous government, in addition to the prime minister, also had three formal deputy prime ministers. Dr. Joze Pucnik was the deputy prime minister for general affairs, Herman Rigelnik was the deputy prime minister for the economy, and Viktor Zakelj was the deputy prime minister for public services. The new government no longer has any formal deputy prime ministers, and instead that function will be performed by two of the ministers. In accordance with the Law on the Government, Lojze Peterle, as foreign minister, will be one of the deputy prime ministers, and Dr. Drnovsek chose Dr. Davorin Kracun, the minister of economic relations and development, as the other. For coordination and technical assignments for the prime minister, the government will form an Office of the Prime Minister, which will be headed by the government's secretary general. Among other things, the secretary general, following instructions from the prime minister, will also be involved in preparing meetings of the government and carrying out its decisions, and handling other matters in connection with organizing work in the government and its services. Technical work on broader overall areas within the framework of individual ministries will be handled by state secretaries, who will be appointed and dismissed by the government at the proposal of the prime minister. The state secretaries are responsible for their work to the agency's minister.

The new government consists of Ministries:

—of Internal Affairs;
—of Foreign Affairs;
—of Finance;
—of Defense;
—of Transportation and Communications;
—of Culture;
—of Education and Sports; and
—of Science and Technology.

These are the ministries that remained unchanged in comparison with the previous government. With respect to the:

—Ministry of Environment and Regional Planning;
—Ministry of Agriculture and Forestry;
—Ministry of Justice; and
—Ministry of Health Care,

There has been a change in name and several organizational changes.

The completely new ministries are:

—the Ministry of Economic Activities, which is headed by Dr. Maks Tajnikar, has combined under its auspices the former Ministry of Industry and Construction, the Ministry of Small Business, the Ministry of Energy, and the Ministry of Tourism and the Hotel Industry;

—the Ministry of Economic Relations and Development, which is headed by Dr. Davorin Kracun, has combined the former Ministry of Trade and the Ministry of Planning; and

—the Ministry of Labor, Family, and Social Affairs, which combines the former Ministry of Labor and the Ministry of Veterans and Military Invalids.

Some ministries that functioned in the previous government, however, have turned into government services and offices. The former Ministry of Legislation has become the Legislation Service, the former Ministry of Information has become the Government Information Office, the former Republic Office for Information Science has become the Government Center for Information Science, the Republic Personnel Administration has become the Government Personnel Service, and the Republic Administration of Joint Services has become the Government Joint Services Support Office. Until the law that will regulate state statistics goes into effect, the Republic of Slovenia's Statistics Institute will continue to function as a government service with the scope of activity specified by the Law on the Organization of the Republic Administration.

The new Law on the Government also brought the Security-Information Service [VIS] a different position. That service, which until now was an internal organizational unit of the Ministry of Internal Affairs, is now functioning as a government service with the scope of activity defined by the Law on the Organization and Scope of Activity of the Republic Administration and the Law on Internal Affairs. The rights, duties, and powers of the minister of internal affairs from the Law on Internal Affairs that apply to the work of the VIS are now exercised by the head of the service. The government has to appoint a special three-member commission that will monitor the exercise of the rights, duties, and powers of the head of the VIS, and give him guidelines for the service's work.

With the reduction in the number of ministries, some ministries also acquired a lot of new tasks and responsibilities. Thus, the Ministry of Finance, in addition to its former tasks, also handles technical tasks that apply to the common tasks of republic administrative bodies and government services in conducting financial accounting services. The Ministry of Economic Relations and Development, in addition to its own tasks, also handles the economic matters that have to do with the system of economic relations with foreign countries and the foreign trade regime, foreign trade transactions, traffic in

goods and services with foreign countries, and the performance of economic activities abroad, investment of foreign persons' funds in domestic enterprises and other organizations, long-term coproduction and commercial technical cooperation, and local border economic cooperation. The Ministry of Labor, Family, and Social Affairs, in addition to its former tasks, also handles matters related to the position and overall social protection of invalids, young people, and the family, social security and social welfare, social assistance to endangered individuals, families, and groups of the population, the training of children with developmental disorders, the protection of individuals who are unable to care for themselves, and the protection of family members whose breadwinner is performing mandatory military service.

In accordance with the Law on the Government the ministries that are assuming tasks that were performed until now by other administrative bodies are also obligated to take over the workers who performed those tasks until the new law went into effect. The transfer of workers from the administrative bodies or government services to the ministries should be carried out on the basis of the agreement of the ministers and heads of the services, within 30 days at the latest after the ministers are sworn in.

Only a few days have passed since the new ministers were sworn in, and consequently there have not yet been any major personnel changes in the government and individual ministries, government services, and offices, but they can be expected, since the reduction in the number of employees is also derived from the new Law on the Government. In addition to the reduction in the number of ministries, it has also eliminated the former deputy ministers and instituted state secretaries, and the ministers themselves will also undoubtedly take care of personnel changes. The government regulates the internal organization and classification of jobs in the state administration, regulates working hours, and adopts organizational, personnel, and other measures for the work of the government, the ministers, and the administration. The number of ministers, their jurisdiction, and the organization of ministries and other administrative bodies are regulated by the law. The government has to regulate their internal organization and work through rules of procedure and individual members. Considerable personnel changes can be expected, primarily in the technical services of individual ministries, but the government's representatives are giving assurances that no one will be left in the street. It will be possible to reassign some current employees to other jobs within the state administration, and others, in accordance with the Law on Officials, are entitled to an official's pay for three more months, during which time they are supposed to look for new jobs.

New Interior Minister Bizjak Interviewed

93BA0582B Ljubljana DNEVNIK in Slovene 4 Feb 93 p 4

[Interview with Interior Minister Ivan Bizjak by Bojan Grom; place and date not given: "Jokes Do Not Upset Me!"]

[Text] *The lack of police experience can even be an advantage....*

Ljubljana, 4 Feb—There are many more differences between former Interior Minister Igor Bavcar and the new one, Ivan Bizjak, than the one-year age difference in favor of the newcomer. Bavcar is an expert at fly-fishing and playing basketball, while Bizjak, during his free time, built a house and then laid ceramic tiles with his own hands. The most fundamental difference between them is that Bavcar graduated from police school and that as minister, he did not act completely without experience, like Bizjak. The first question was addressed to him precisely in connection with this challenge.

[Bizjak] It is true that I do not have direct experience in the police or other areas that fall within the framework of internal affairs, but it is an area that every citizen encounters in some way every day. Political activity is also closely related to the issues that are part of this ministry, and so the lack of experience is perhaps even an advantage for me....

[Grom] I remember that the employees of the former Secretariat trembled for their jobs when Ertl was replaced by Bavcar. The same thing happened when Bavcar was replaced by you. Your predecessor established an internal affairs department that deals with "violations" and "punishable acts" by the ministry's employees. Are you familiar with the report from the "police within the police," and finally, can you use it in staffing the ministry?

[Bizjak] I am mostly familiar with the internal affairs report. I took that service's observations seriously. The work of the internal affairs department is useful first of all for people, since that department also handles and resolves citizens' complaints. That is why it is right for this service to be separate from the operational organizational hierarchy. My work will be based on honesty, and in connection with this I intend to raise the reputation of all those employed in the ministry.

[Grom] Under the new system you will no longer have two deputies. Who will replace them? What will the new hierarchical ladder of the Slovene police be like?

[Bizjak] There will no longer be deputies, and they will be replaced by state secretaries, who will control two overall areas: one is the public security area, which covers the police and the detective service and everything that is connected with this, and the other area is administrative internal affairs. That area will be definitely expanded, for instance on the basis of the Law on

the Government, which provides that some of the functions previously performed by the Ministry of Justice and Administration will be transferred to other ministries. I expect that a large part of the responsibility will be transferred to our ministry. We can expect another expansion with the reorganization of the state administration, when the municipal internal affairs bodies will also come directly into the above framework.

The state secretaries are appointed by the government at the proposal of the minister. I proposed two candidates: for the public security area, Bogo Brvar, former deputy minister, and for the area of administrative internal affairs, Andrej Ster, who previously worked as the head of the Municipal Internal Affairs Secretariat in Kranj.

[Grom] I learned that you retired a lot of the ministry's employees, which was a surprise to some of them, since they were relatively young personnel with a wealth of operational experience....

[Bizjak] I did not retire anyone! Igor Bavcar signed the decrees on administrative retirement for some of them, so I could not have surprised anyone. I also did not throw anyone out into the street. I can say that the full staffing of the ministry will only be known after the apparatus at the top gets going with its full complement, with both state secretaries. For the time being I am not planning any fundamental personnel changes. The more we are aware that personnel changes are a normal reaction, the more efficient our work will be. I think that a great deal still has to be done in this area.

For the time being, I have not yet met all the chiefs of the internal affairs administrations, so I do not yet have a final picture. Of course, this is not just a case of personnel issues, but also many other matters.

[Grom] You were a candidate for state president, and you became the interior minister. Many of your preelection messages are also relevant in this area as well. You said, "Power requires oversight." It is hard to imagine a force that would be more powerful than police power. Who, then, will oversee your extensive apparatus?

[Bizjak] I agree that a great deal of what I particularly emphasized before the elections is still quite relevant in this position. That is also the answer to why I took over this ministry, which others were avoiding. In this position it is possible to do a great deal for the good of the state and people. I will try, within the limits of my abilities, to make it possible for the public to get an idea of our work. As I have already said, we will treat every complaint from a citizen seriously, because this seems to me to be a good way to raise the reputation of the police. At the same time, of course, I hope that there will be fewer and fewer complaints.

[Grom] With the passage of the Law on the Government, the VIS has been separated from the ministry. Were you relieved because of this?

[Bizjak] It is a completely new situation, which in a way is very important. The VIS's separation from the ministry will be a difficult and prolonged process, which will require a great deal of serious work. My desire is to move the service to another location, which would be a condition for being able to regulate certain other things more smoothly. A move, however, is also associated with tremendous costs, and the question is whether enough money will be available.

I cannot talk about a possible new name for the VIS's director, because that is not in my jurisdiction. There are also no reasons for me to be informed about it.

[Grom] Someone wrote that your smile revealed a conciliatory disposition. If that is true, happy hours are not ahead for you, in my opinion. Although you have avoided the intelligence service, you are left with the police and the detective service. A great deal of work awaits both of them: corruption, arms and drug smuggling, and one kind of mafia or another, which is already showing its real face. How will you embark upon all this work? Will you also be helped by the contacts that have been established with well-known people from Europe?

[Bizjak] I agree that a great deal of work is facing the police and the detective service. First of all, we have to ensure the safety of people and property. In spite of the unstable situation in our vicinity, which is creating more and more new problems, people's safety has to remain the inviolate first concern.

We can successfully engage in a battle against the mafia only with highly professional work, and observance of all the principles that exist in this service. In this regard, of course, connections at the European level are important, especially as far as Interpol is concerned. In some areas, very good relations have already been created. I will personally foster them and continue to devote a great deal of attention to them.

As far as economic crime is concerned, and the financial police in connection with it, that is not just our ministry's problem, since that business also fits into the area of finance. This is a question of transforming the SDK [Public Auditing Service], the part of it in which the oversight service operated, in combination with the functions that were performed by the tax services. It will be a new organization, in which the detective service will also belong. Of course, first of all it is necessary to adapt the legislation, so that it will be possible to sanction undesirable phenomena effectively.

[Grom] Zmago Jelincic, a deputy in the State Assembly, is threatening a revision of the Law on Citizenship and stricter conditions for acquiring it. It is not possible to correct it retroactively, but it could be different in advance....

[Bizjak] With respect to the issue of citizenship, I want these flat statements about how it was awarded to cease as soon as possible. I have already said before the parliamentary commission that cases in which it is

suspected that citizenship was awarded in violation of the law should be reviewed. The rumors about it have politicized this issue, and do not help our future.

How things will go from now on with granting citizenship is in the hands of the deputies in the State Assembly. Because of the Constitutional Court's decrees it will be necessary to propose some amendments to the Law on Citizenship, and otherwise a comprehensive analysis of this issue has been done. On the basis of the findings we will study whether any other amendments to this law are needed.

[Grom] You do not live in Ljubljana, which is probably one more reason why you will keep the fast Alfa with a chauffeur, or will you drive yourself from Zgornja Bela with your own Skoda?

[Bizjak] I will not drive myself directly to work, since that would also be contrary to the government decree on the protection of individuals. To the best of my knowledge, the Alfa Romeo is no longer even in use, because it was an old car that Joze Smole was already driving years ago (the minister is now being driven in a BMW 525—author's note).

[Grom] How do you receive humor at your expense? For instance: From now on, policemen will stop drivers with a crucifix!

[Bizjak] Of everything that I have heard so far at my expense, not one joke has upset me, because I receive humor with a smile. I do not think it is necessary, however, to attribute religious symbols to Christian Democrats.

[Grom] Your predecessor, Igor Bavcar, turned things over to you in a collegial manner, without upheavals. What was it like when you first entered the ministerial office?

[Bizjak] Igor Bavcar briefed me on how everything was going, but we did not explicitly analyze current matters. It was only through talks with the heads of individual areas that I learned what was going on in this service.

Biographic Data on New Government Ministers

93BA0572B Ljubljana DELO in Slovene 26 Jan 93 p 2

[Unattributed article: "Members of the New Slovene Government"]

[Text] **Dr. Janez Drnovsek** (LDS [Liberal Democratic Party]), prime minister

Born in 1950, doctor of economic sciences. Among other things director of Ljubljanska Banka in Trbovlje, diplomat at the Yugoslav Embassy in Cairo, deputy in the Yugoslav federal parliament, and President of the SFRY Presidency. President of the LDS and head of the Pharos Foundation.

Lojze Peterle (SKD [Slovene Christian Democrats]), minister of foreign affairs and deputy prime minister

Born in 1948, graduate geographer and economist. Previously employed as an adviser for environmental protection at the Social Planning Institute. Former prime minister and president of the SKD. Vice president of the European Alliance of Christian Democrats.

Ivo Bizjak (SKD), minister of internal affairs

Born in 1956, graduate engineer in technical mathematics. He dealt with the computer control of processes at several of Iskra's factories. Chairman of the Chamber of Municipalities in the previous Republic Assembly. The SKD's presidential candidate in the December elections.

Janez Jansa (SDSS [Social Democratic Party of Slovenia]), minister of defense

Born in 1958, graduate in defense studies. He was employed as an adviser in the Republic Secretariat for National Defense. Minister of defense in Peterle's government and in Drnovsek's former government.

Mitja Gaspari (LDS), minister of finance

Born in 1951, master's degree in economics. Former vice governor for the information system at the National Bank of Slovenia, later deputy governor of the National Bank of Yugoslavia, and financial economist at the World Bank in New York. Minister in Drnovsek's former government.

Dr. Davorin Kracun (LDS), minister of economic relations and development

Born in 1950, doctor of economic sciences. Since 1974, employed at the Maribor Economic and Business School, where he has the title of special professor. He has been involved a great deal in research work. Minister in Drnovsek's former government.

Dr. Maks Tajnikar (ZL [United List]), minister of economic activities

Born in 1951, doctor of economic sciences. For some time he headed the entrepreneurial education program at Gea College, but otherwise he has devoted himself primarily to his academic career. He is a regular professor at the Economic School in Ljubljana. Minister in Drnovsek's former government.

Igor Umek (SKD), minister of transportation and communications

Born in 1956, graduate economist. Employed at the Republic of Slovenia's Social Planning Institute, where he was also assistant director and head of the section for regional development. Chairman of the Republic Committee for Social Planning in Peterle's government.

Dr. Joze Osterc (SKD), minister of agriculture and forestry

Born in 1942, graduate veterinarian. For several years he has worked at the Biotechnical School, and he was also an associate dean. He participated in commissions for breeding and selection work in the area of livestock breeding. In Peterle's government, chairman of the committee on agriculture, forestry, and fodder.

Miha Jazbinsek (LDS), minister of environment and regional planning

Born in 1941, graduate engineer in architecture. He was director of the Kamnik Bureau, the Institute for Regional Planning, and the Oikos-Design enterprise. Minister in Peterle's government and Drnovsek's former government.

Miha Kozinc (LDS), minister of justice

Born in 1952, graduate lawyer. He worked previously as an attorney. Recently his work has particularly been involved with the so-called press suits. He was chairman of the Ljubljana regional committee of attorneys. Minister in Drnovsek's former government.

Jozica Puhar (ZL), minister of labor, family, and social matters

Born in 1942, graduate sociologist. She has performed various work in the area of employment and in the union organization, and she was chairman of the Federation of Employment Communities, and deputy chairman of the Republic Committee for Labor. Minister in Peterle's government and in Drnovsek's former government.

Dr. Slavko Gaber (LDS), minister of education and sports

Born in 1958, doctor of sociological sciences. He taught at the secondary sociology school in Skofja Loka. A sociology instructor at the Pedagogical School in Ljubljana and a member of the Republic of Slovenia's expert council for education. Minister in Drnovsek's former government.

Dr. Rado Bohinc (ZL), minister of science and technology

Born in 1949, doctor of legal sciences. He was employed at Metalka, and he was vice president of the Slovene Chamber of Commerce and a member of Mikulic's cabinet in the Federal Executive Council. Chairman of the main committee of the Social Democratic Union.

Dr. Bozidar Voljc (Greens), minister of health

Born in 1939, doctor of medical sciences. He was director of the Ljubljana Health Center and the Institute for Blood Transfusion. Minister in Peterle's government (he replaced Katja Boh), and in Drnovsek's former government.

Sergij Pelhan (ZL), minister of culture

Born in 1939, graduate sociologist. He was director of the Primorje Dramatic Theater and president of the Cultural Community of Slovenia, and then mayor of Nova Gorica.

Crisis in Slovene National Party Peaks

93BA0575A Ljubljana DELO in Slovene 1 Feb 93 p 2

[Article by Vinko Vasle: "The SNS Is Threated by Division and Collapse: It Has Become a Victim of the Mutual Settling of Scores and Harsh Accusations"]

[Text] *At a meeting of the chairman of the regional committees, Jelincic was criticized for betraying the party; some people even support his expulsion from the SNS [Slovene National Party]; they are demanding a review of the party's financial operation and an extraordinary congress.*

Ljubljana, 31 Jan—The SNS is not only at a crossroads, but is also threatened by division and collapse. In less than two months after the elections, the fourth strongest parliamentary party is now essentially crippled, it has become a victim of the mutual settling of scores and accusations, and its deputies have split up.

Zmago Jelincic's National Party received enviable support from the voters in the elections, since about 120,000 people voted for it on 6 December 1992. It thus entered the State Assembly with 12 deputies, which was a big surprise to everyone, including the party itself. Jelincic himself predicted before the elections that the SNS would receive four or five deputy seats, but the electoral system more than doubled this number. During the preelection battles, Jelincic adroitly exploited the gap that was left on the right wing by several parties—especially the National Democrats and Gros's Liberal Party, which nevertheless still retained their nationalism at the level of several fundamental national values. Their program, however, was not based on extremism, or even on militant nationalism, which was the most important characteristic of the SNS's program.

Jelincic, of course, was well aware that the Slovene right was losing its "common front," since before the elections it was not able to unite with respect to programs and the campaign. Furthermore, there were major disagreements among the right-wing parties, and even significant conflicts during the preelection battles. Of course, the SNS's popularization was also promoted to a great extent by its president, Zmago Jelincic, who has already thoroughly personified the National Party, while building the party's popularity on two political premises: on pronounced nationalism, directed against citizens of non-Slovene origin and xenophobia toward immigrants and foreigners, and on the other hand, on typical anticommunism and opposition to the left. With this type of ideological program, Jelincic succeeded in arousing the sympathies and support of a broad circle of voters, and attracting about 4,000 individuals into the ranks of the membership.

The National Party's image was also promoted to a great extent by the left's constant attacks against it and demands for a ban on its activity. It was particularly promoted by the house searches and arrests in which several members of the party were involved, including Jelincic, who portrayed all these accusations and police prosecutions as an attempted political lynching of himself and the SNS. Soon after the elections, however, when Zmago Jelincic, after talks with Kucan and Drnovsek, announced that the National Party would be a constructive opposition in parliament, the question arose of whether Jelincic might nevertheless be willing to forget about some of the basic features of the party's program for his own protection (judicial prosecution). Many people, in fact, justifiably expected that the SNS would be a strong and decisive opposition party, since its program mainly differed from the programs of all the other parties in the State Assembly. Immediately after the elections, however, it could be observed that not only were individual right-wing parties flirting with Jelincic, but he also started to receive compliments on his constructive approach from the left, especially the Liberal Democrats—i.e., the parties which, through individuals, had actually demanded that the SNS be banned.

The First Conflict

The first conflict among the National Party's deputies occurred several hours before the vote on Prime Minister-designate Janez Drnovsek. At that time Jelincic demanded that the deputies support Drnovsek, but four deputies opposed this. Two of them later at least apparently submitted to Jelincic, but two of them loudly stated that they would not vote for Drnovsek. These were Marjan Stanic and Saso Lap. Since this dispute was leaked to the public, Jelincic accused Stanic of this and expelled him from the deputies' group, but Lap only received a final warning.

"I already criticized Jelincic when I demanded that the deputies' group had to have rules of procedure, since it seemed unacceptable to me that Jelincic himself was deciding everything on our behalf," said Marjan Stanic. Clear rules of the game in the deputies' group were also demanded by Stefan Matos, who claimed that Jelincic responded to this by saying that it was characteristic of communism and that the SNS did not need it. The most serious blow to the party, in the opinion of the deputies who left the deputies' group, was the fact that Zmago Jelincic, in opposing Janez Jansa's candidacy for defense minister, formed a pact with Ciril Ribicic and the Liberal Democratic deputies, i.e., with the left. At yesterday's meeting of the regional committee chairmen one could also hear most of the criticisms because of this and accusations that Jelincic, by supporting Drnovsek and by attacking Jansa, had betrayed the party and disgracefully joined the left.

Many Resignations

Yesterday's meeting of the regional committees was attended by what until recently was still a large number of Jelincic's adherents, who warned that Jelincic had less and less support among the membership, and that there were many people who had already resigned from the SNS out of disappointment, and in some cases the party's local committees had also started to disband (in Sezana and in Gorje near Bled). The regional committees are also demanding clear accounts and want to see how the party's financial operation is going, and the Jesenica committee is also even demanding a complete review of the party's financial operation. He is also being criticized from there for the unauthorized borrowing of large loans for the party's preelection activity, and for arbitrarily expelling individual members from the party, including six deputies.

Yesterday the representatives of the regional committees therefore unanimously adopted a resolution that an extraordinary party congress had to be convened in 14 days and all the disputed issues cleared up. Specifically, they think that the SNS has suffered serious blows, and consequently some regional committees are even demanding that Zmago Jelincic be expelled from the party.

Vinko Zalar of Maribor said, among other things, that it was high time to ensure democratic decision-making in the party, and that the people in Maribor wanted to know who comprised the party's presidency, which no one knows anything about, while Jelincic says that he is thus protecting the members of that party body from attacks. It was heard at the meeting that there was no communication between the party's leadership, which Jelincic personifies, and the regional committees; the only notification that the SNS members have received was the forms for paying membership dues. Surprise was also heard during the discussion over the ease with which Jelincic was expelling people from the party, along with opinions that the regional committees also did not recognize the illegitimate expulsion of the deputies. Yesterday's meeting of representatives of the regional committees also showed that the struggle for power in the party and for its legacy had already begun. The representatives from Jesenic, in fact, left the meeting in protest with the explanation that individuals who had not done anything for the party wanted to come to the forefront in the SNS.

[Box, p 2]

The 18 regional SNS committees are demanding an extraordinary party congress. It is supposed to be on 13 February in Ljubljana. Six representatives of the regional committees announced on Saturday at the meeting that they would support a vote of no confidence in Zmago Jelincic, and numerous committees are even demanding his expulsion from the party. It was heard that it was unacceptable that three votes by SNS deputies had made it possible for Janez Drnovsek to become prime minister. Jelincic, with his characteristic "policy" in the party and the deputies' group, has ruined the people who did the most for Slovene independence, and negotiated with those who were in the background of those efforts, or even opposed them.

Forms of Austrian Investment Discussed

93BA0582E Ljubljana DNEVNIK in Slovene 3 Feb 93 p 9

[Article by Alenka Mozetic: "Austrians' Investments Here"]

[Text] *Most of the direct investments have been intended for service industries; individuals and their enterprises are predominant among the foreign investors.*

Ljubljana, 3 Febn—Austria, with a 25.6-percent share in all direct foreign investments in Slovenia and with a 26.3-percent share in foreign capital here, is in second place in foreign investments. These shares pertain to the end of 1991, when about 2 percent of the Slovene economy's fixed assets were owned by foreigners. This percentage is extremely low in comparison with the level of internationalization of smaller developed economies (30-35 percent). But what are the forms of direct foreign investments by Austrians, the motives for them, and the obstacles? The subject is part of a study of changes in the economic system and economic cooperation between Slovenia and Austria that was done through cooperation between institutions from both countries.

There are three main forms of foreign investments: owners' joint investments, direct foreign investments without the participation of domestic capital (branches of foreign firms), and contractual joint investments. The first two forms are predominant today. Most of the more recent direct Austrian investments have been intended for service industries, but such investments in industry are most important in terms of value. Physical persons and their enterprises are predominant among foreign investors. Specifically, this has to do with a large number of low-capital foreign investments in private enterprises, primarily for the purpose of utilizing customs privileges. From a sample that includes 21 Austrian direct investments in Slovenia, we can analyze the main motives for investments here: access to the Slovene (Yugoslav) market as the most important and long-term motive, and also preserving existing market shares, allowing exports by parent firms, avoiding tariff and nontariff barriers, increasing profits, reducing production costs, and ensuring a supply of several raw materials and semifinished products. What is decisive for choosing the location for an investment is the available infrastructure, the location of existing production capacities, the immediate vicinity of local centers, and a positive attitude on the part of the local authorities.

An analysis of the enterprises polled indicated several important aspects of Austrian branches or joint investments. The link between the Austrian and domestic partner is usually supported by a cooperation agreement. These are thus fairly long-term and solid production ties. With respect to employment, different influences were shown in the analysis. Positive effects have been identified on the balance of payments because of the enterprises' export orientation, on technology transfer, and on research and development cooperation.

Long-term co-production on which ties between the foreign and Slovene partner are based plays an important role in Slovenia's international economic relations. During the 1987-1991 period, foreign trade within the framework of co-production occupied a 30-percent share of Slovenia's total exports and imports. Cooperation through co-production ties with Austria shows positive impacts in the area of technology, marketing, and management. Since co-production mostly involves the production of final products, it has a positive impact on strengthening production and technological capabilities and learning about the demands of a highly developed market, which the Austrian one undoubtedly is.

Chamber of Commerce Issues Economic Proposals

93BA0582D Ljubljana DNEVNIK in Slovene 4 Feb 93 p 17

[Article by Marjan Lekse: "Distribution of Tax Burdens"]

[Text] *From the GZS's [Slovene Chamber of Commerce] positions and proposals for economic policy in 1993; from the economy's standpoint, a streamlining of Slovene public spending is essential.*

Ljubljana, 4 Feb—The mission from the IMF's fiscal department, which visited here a while ago, determined that Slovenia, with a high tax rate (45 percent of the gross domestic product), was at the upper limit of the European level. This has also been observed by most of the domestic economic profession, and likewise by the GZS in its positions and proposals for economic policy this year.

The Chamber emphasizes that the small young state must also contribute to increasing overall enterprise competitiveness and thus also to the possibility of a business boom through its measures in the area of public spending policy. It is therefore necessary to reduce the share of costs for public spending per unit of enterprise product or service.

The current level of economic activity, and the current level of production and the gross domestic product created, cannot guarantee funds for public spending at the current level. It is also for that reason that it is necessary to increase economic activity. This, however, can only be achieved by strengthening competitiveness at the level of products and services, and thus also by reducing taxes and contributions per unit of the current product. Thus, enterprises that are more competitive overall, by opening up export markets, would improve the utilization of production capacities. Such short-term measures by the state and the crucial factors in the public sector would have a stabilizing effect, and on the other

hand, they would ward off pressure for dismissing surplus workers by servicing social taxes and permit new employment, especially of the younger educated generation seeking employment.

Taxes and Contributions

The GZS is therefore, just as it did last year, once again proposing a decrease in the rate of taxes, which are a burden on the cost of labor (primarily also the contribution rates for mandatory health insurance and pension-disability insurance), and the adjustment of these rates at the levels that are customary for our main competitors. More appropriate distribution of the burden for financing public spending and more efficient collection of taxes from all possible taxpayers are also needed. The possibilities are, for instance, introducing flat tax rates, which would also cover the current "gray" economy more appropriately in terms of taxes.

In order to implement such proposals sensibly, the GZS supports the proposed guidelines for developing the tax system and policy (from the Ministry of Finance), since they project the fundamental tasks to be establishing a tax administration, establishing a uniform tax service, regulating the issue of tax procedure, introducing a value-added tax and adjusting customs duties to the European level, reforms in property taxation, and also amendments and additions to the current tax legislation (income tax, profit tax, turnover tax).

Public Spending

It is necessary to make tax spending more efficient. The economy justifiably expects that those spending the taxes will act as efficiently as possible in making expenditures and using time and professional resources and capabilities, and have better organization within the framework of the public sector, whose directly and indirectly very important effects on the economy it does not deny. For this year and onward, the GZS therefore expects the preparation of a program for a long-term reduction in public spending, so that it can be set at the level of similarly developed states. It is also necessary to incorporate an element of market operation in the public sector and nationalized systems. The GZS expects an overall balance-sheet to be kept for public spending, and it furthermore expects the establishment of an effective mechanism for oversight over all those engaged in public spending, and the most rapid possible establishment of the Account Court. It is also necessary to modify the indexation of pensions, which are now tied to trends in wages per employee in the economy.

Budget

The Chamber thinks that the economy's competitiveness should be supported by reducing the burdens, and only to a lesser extent by direct budget subsidies and endowments. For possible interventions, an exclusively (economic) mechanism is needed, based on standards. Above all, it supports linear measures, which do not discriminate economically among economic entities.

The GZS supports the policy that is emerging on the basis of article 13 of the Law on the Budget, and is proposing more consistent observance of the sense of its provisions, since in that way they would also generate competition (without a prior implicit choice) and encourage domestic production. It is demanding that the state, along with efficient management of the funds for public spending, use public procurement policy more for stimulating domestic industry, and for necessary imports, introduce a request for countershipments. Back when the budget was adopted for 1992, the GZS proposed that a balance-sheet be prepared for the state of the budget, and this is still relevant.

Public Debt

The GZS is warning again that the present public debt has to be determined and recognized, and that its payment and servicing have to be ensured. The public debt should be paid primarily with state property. Any difference should be serviced, up to a certain extent, by issuing new securities. The GZS is likewise convinced that domestic borrowing is necessary to finance the budget.

Fund for Development Seeks Managers, Consultants

93BA0582G Ljubljana DELO in Slovene 2 Feb 93 p 2

[Article by Domen Rant: "The Crisis Situation Requires a Slightly Aggressive Leader"—first paragraph is DELO introduction]

[Text] Uros Korze on the tasks of the managerial groups that have taken over a third of the 99 Slovene enterprises that the Fund has taken over to date; well-paid foreigners.

Ljubljana, 1 Feb—The restructuring and privatization of 99 Slovene enterprises which have 1.5 billion marks in debts and are owned by the Republic Development Fund are a difficult and prolonged task. The most responsible part of the task, which includes the consolidation of operations, the dismissal of surplus workers, the search for new markets, and in the final phase privatization as well, has been entrusted to so-called managerial or entrepreneurial groups that will assume control of operations in a third of the Fund's enterprises. In some cases, these three- to five-member groups also include foreign managers, who also have a great deal of experience in marketing and selling individual products, in addition to good international acquaintances in the business world.

"Our task in the process of restructuring enterprises is also to select the management teams that in time will take control of operations at the factories. We expect that in a year and a half we will step out as the controlling owner of these enterprises, because the new owners will take control of operations," we were told by Uros Korze, director of the Development Fund. As he emphasized, certain problems are occurring in introducing the management groups into the enterprises' leaderships. Thus, a management team with which workers are not satisfied

is not being replaced immediately, and instead its mandate is being extended with minor personnel modifications. In other, more extreme cases, because of strikes by workers and impossible working conditions, three or four management teams have already been replaced, something which was known later on in operation. The replacement of the management bodies at 33 enterprises was conducted on the basis of advertisement in two ways: by replacing the director, or the enterprise's entire leadership. The conditions for someone's becoming a member of the management team was not only an economic or other higher education, but also certain references, experiences, and a special character needed by the head of an enterprise in a crisis situation. Such a person should have an energetic and also slightly aggressive disposition, since he already immediately has to dismiss from 20 to 30 percent of the surplus workers.

"One of the main limitations in restructuring enterprises is the serious shortage of managers in Slovenia. The difficulty is not just in their lack of expertise, but also in the poor reputation that the Fund's enterprises have. Entrepreneurs who are employed in rather well-paid jobs, in fact, just have a hard time deciding to exchange their job for the better pay provided by participation in a management team. They are aware that they will be moving to a rather unstable environment, characterized by crises, strikes, and also psychological pressures," Uros Korze emphasized.

Four months ago, when the financial rehabilitation of the enterprises began, the Fund expected that the leaderships would only have to be replaced in a third of all the enterprises, but they miscalculated. Korze expects that the management teams will have to be replaced at another 33 enterprises. They will not hurry with the replacements, but will instead carry them out gradually, since they want to ensure professional and good management groups; so far they have not had any major difficulties in replacing the enterprises' leaderships, except in some cases in which it was difficult for the directors to reconcile themselves to their departure.

It is interesting that they had difficulties with workers primarily at those enterprises where they have not yet replaced the leaderships. At the enterprises where the management teams have already been working for several months, in fact, a sort of transitional period is still continuing, in which the new management is being given an opportunity to show what it can do and what it knows.

And what about the participation of foreign managers in restructuring the Fund's enterprises? According to Uros Korze, they are counting on foreign consultants more than managers. Foreign managers, of whom there are now 10 at the enterprises, are present especially where shares in the enterprises will be privatized and sold to foreigners. There are thus Italian, German, and Austrian men in the management teams at Novoterm, Henkel Zlatorog, the Tobacco Factory, the Vevce Paper Factory.... Soon foreign consultants will also come to Slovenia and participate in the work of the management bodies at six enterprises. They are to try to increase the enterprises' efficiency, and in some cases they are also to participate in their fundamental restructuring and prepare them for privatization by seeking new capital. If the Fund also gets some money from the PHARE [Poland-Hungary Assistance in Restructuring Economies] program and other international sources, a larger number of foreign consultants than planned will participate in the restructuring of the enterprises. According to Korze, it is still difficult to talk about the success of the work of domestic and foreign managers, and it will be necessary to wait a few months. He also emphasized that restructuring was going faster at those enterprises where foreign managers were included in the work of the new management teams.

[Box, p 2]

The amount of managers' salaries is also influenced by time in the new management body. During the first, so-called transitional period, which lasts from three months to half a year, managers become familiar with the situation at the enterprise and have specific salaries, depending on the size of the enterprise. They range from 2,000 to 3,500 marks, and even up to three times as much for foreign managers. If the enterprises begin to operate successfully, later on they will have wages three or four times higher, depending on the market successes achieved. Good managers will likewise be allowed to purchase from 10 to 15 percent of the shares in the enterprise with a loan from the Fund.

And who is financing the management teams at the enterprises? Uros Korze said that as a rule the enterprises would have to cover the costs for them. If the enterprises are blocked and illiquid, however, and cannot pay for them themselves, the Development Fund will act as the contracting party.

Government Plans Loan Guarantees for Ironworks

93BA0582C Ljubljana DNEVNIK in Slovene 4 Feb 93 p 16

[Article by (lac): "Revival and Financial Rehabilitation of the Slovene Ironworks"]

[Text] *Distribution of bonds, a decree on losses, and a decree on a guarantee for obtaining loans.*

Ljubljana, 4 Feb—The distribution of bonds to 16 creditor banks and the implementation of the government's decree on issuing treasury notes to cover losses only mean the revival of one of the biggest economic corpses at this time in Slovenia—the Slovene Ironworks. What represents the basis for beginning real financial rehabilitation, however, is the government decree on issuing a guarantee from the Republic of Slovenia for the loans incurred by the Slovene Ironworks for permanent capital assets.

On Tuesday, the leadership of the Slovene Ironworks distributed bonds to the creditor banks in the total amount of somewhat more than 249 million German marks. This also implemented the law on issuing bonds for the financial rehabilitation of all the Slovene Ironworks' overdue tolar and foreign exchange loans. Of course, the enterprises within the Slovene Ironworks association will continue to have to repay annuities on the funds that they borrowed from banks. The bonds were received by 16 creditor banks, and some of them, to which the enterprises in the Slovene Ironworks association owed the most, thus also solved their balance-sheet difficulties. This primarily applies to Gorenje Bank, the Celje General Bank, and the Carinthian Bank in Slovenj Gradec.

Some time ago the Ministry of Finance also issued a decree on issuing treasury notes to cover the Slovene Ironworks' losses in 1991. These amounted to about 70 million German marks; as the leadership of the Slovene Ironworks stated, they will issue these treasury notes to the enterprises by 15 February at the latest. Among other things, the enterprises will use these notes to settle debts based on contributions postponed, electricity and natural gas supplied, and railroad transportation services performed. In that way the state is allowing the enterprises in the Slovene Ironworks association, of which it is the owner, to settle the accounts of "state" enterprises.

After clearing up the old debts, the Slovene Ironworks will also undertake to straighten out the current situation. The Ministry of Finance recently also issued a decree on a state guarantee for the loans that the Slovene Ironworks obtain for permanent capital assets. The Slovene Ironworks will be able to obtain loans up to a total amount of 72 million marks, and specifically under the conditions (amount, period of repayment, interest rate) that apply to the banks' best clients. One of the conditions for approving loans is also government confirmation of a report on the implementation of the Ironworks' financial rehabilitation program. Otherwise, the state is guaranteeing loans that the Slovene Ironworks obtain in accordance with the above-mentioned decree in such a way that it will settle them from the budget with a period of seven days after they become due, of course, if the Slovene Ironworks cannot first settle them itself.

Federal

Foreign Minister Comments on U.S. Airdrop Plans

LD2302193893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1723 GMT 23 Feb 93

[Text] Belgrade, 23 Feb (TANJUG)—FRY Foreign Minister Ilija Djukic invited the ambassadors and charge d'affaires of the permanent members of the Security Council to brief them on the contents of the letter that the FRY Government sent to Mr. Ahmed Snoussi, chairman of the Security Council, regarding the decision by the U.S. Government to undertake a unilateral action to deliver humanitarian aid by air to the suffering population in eastern Bosnia, of which the U.S. Embassy informed the FRY Government on 22 February 1993.

The statement sent to TANJUG by the Federal Ministry for Foreign Affairs says:

"Stressing the fact that the FRY Government has always had a positive attitude toward providing humanitarian aid, that it has itself been very active in that respect, and that it respects the U.S. efforts in that context, Minister Djukic also noted the concern with which we have received the news of the U.S. Government's decision, bearing in mind the unavoidable risks and dangerous and serious consequences that its implementation could have because of the realistic possibility of incidents happening without our participation and responsibility, since the war is being waged on the territory of Bosnia-Hercegovina.

"Minister Djukic also drew attention to unfounded warnings addressed to the Yugoslav Army, which it is assumed would hamper these actions, although it is not present on the territory of Bosnia-Hercegovina. Such warnings, Djukic stressed, we regard as unfounded, because the Yugoslav Army is neither present on the territory of Bosnia-Hercegovina nor does it take part in conflicts there, and likewise, the FRY is not a party in the civil war in Bosnia-Hercegovina.

"The planned U.S. action, although motivated by humanitarian needs, which we respect, presents a precedent in the implementation of Resolution 770, which could have undesirable consequences if other countries were to decide to embark on similar actions. Hence, we maintain that there is an obligation under Resolution 770 to coordinate such and similar actions with the United Nations Organization.

"In accordance with its proclaimed policy, the FRY will not undertake any military actions outside its borders, and, in line with this, it will not hamper the implementation of this operation. However, it warns that its territory and its airspace must not be violated under any circumstances and, hence, it acknowledges relevant assurances given by the American side," concludes the statement issued by the Federal Ministry for Foreign Affairs.

Airdrop Seen as 'Excuse' for Intervention

AU2402083393 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 23 Feb 93 p 2

[Commentary by D. Vujicic: "The Humanitarian Delivery—of War"]

[Text] If tomorrow—as, according to THE SUNDAY TIMES, the U.S. National Security Council advises—the highest representatives of Great Britain and the United States decide that aid to Muslims in Bosnia-Hercegovina should be delivered by parachute, the war conflagration would spread far and wide throughout our regions. In this open war game played by world potentates around Bosnia, the United Nations, just as the formal League of Nations, are definitely "ripe" for storing away into history.

It is not difficult to guess what will happen if American and British aircraft really appear in the Bosnian sky. Alija's [Izetbegovic, Bosnian president] followers simply cannot wait to welcome them (with Stingers) and, of course, Serbs would immediately be accused of that. Therefore, this would represent an excuse for the "Balkan storm" to start.

French General Philippe Morillon, commander of the peace forces for Bosnia-Hercegovina, has assessed the latest allies' idea on delivering the humanitarian aid to Bosnia by parachute as complicated, hard to implement technically, and extremely uncertain.

Apart from the fact that allied aircraft over Bosnia would be shot at and that real humanitarian reasons for delivering aid in this way do not exist, the configuration of terrain in Bosnia-Hercegovina is such that it is almost impossible to send parachutes exactly where they are expected. Besides, meteorological conditions in Bosnia-Hercegovina right until the end of May also call into question any air action in the region.

Of course, there is also the fact that in one overflight, only one tonne of aid can be dropped from a Hercules air freighter. Making turns in a small air space over Bosnia (particularly with a large number of fighter planes as escort) and returning to the target is not only expensive, but also extremely risky from the point of view of security.

The latest idea from Washington and London should first of all be interpreted as another well-timed media bomb with the aim of making further threats, above all to the Serbs, before the New York talks on the fate of Bosnia-Hercegovina.

However, there is also another, darker side of the coin which, with the spring coming, should certainly be counted upon. The war on the territory of the former Yugoslavia has slowly entered its third year. In this time, the potentates of the new world order have spent millions of dollars with a view to activating the fuse on the powder keg of Serbian patience and tolerance.

Although the inventiveness and imagination of the inspirers and initiators of fabricated lies about the Serbian people's struggle are almost inexhaustible, in their basic aim to break up Yugoslavia they lost—their patience. They seemed to have reckoned that to sacrifice several aircraft over Bosnia is the cheapest and most productive of the possible excuses for a military intervention. Despite the warnings by Pentagon experts and General Morillon—that this is in fact a stupid step that does not pay either—this solution has to be seriously reckoned with.

Human Rights Minister on War Crimes Decision

LD2402014793 Belgrade TANJUG in English 2343 GMT 23 Feb 93

[Text] Belgrade, Feb 23 (TANJUG)—Yugoslav Human Rights Minister Momcilo Grubac said on Tuesday [23 February] that those responsible for the terrible crimes in the territory of the former Yugoslavia should be brought to justice, but that conditions for 'normal, just and fair' trials did not exist at present.

Commenting on the U.N. Security Council resolution to set up an international tribunal for war crimes committed in the former Yugoslavia, Grubac told TANJUG that Yugoslavia's action would depend on a plan for the functioning of the court which the U.N. secretary-general should announce within 60 days.

The idea to form a standing and not an ad hoc war crimes tribunal has been present for the past 40 years, but has never materialized and it is highly unlikely that all organizational problems—such as the composition of the court and its powers—would be resolved within the 60 days, said Grubac.

Even if they were resolved, it would still be necessary to make sure that all normal conditions had been created for conducting fair trials, he added.

There is an international hysteria about the events in Bosnia-Hercegovina. The international public is not properly informed about what is going on there. There are many prejudices and prejudged stands regarding the guilt of one party and the innocence of the other parties involved in the conflict. Under such circumstances, the trials might turn into political trials of nations and not of war criminals, which would greatly discredit justice and humanity, warned Grubac.

Even if the international tribunal were to be set up in these abnormal conditions, many questions would remain unanswered, primarily how to ensure the presence of the accused with the fighting still going on. Trials in absentia would produce almost no moral effect, while the damage would be enormous, argued Grubac, insisting that they would be mock trials that would make martyrs out of war criminals.

If the U.N. Security Council resolution was aimed at increasing pressure to end the war, it should nonetheless be kept in mind that legal institutions are not instruments that should be used to exert pressure or stop conflicts, said Grubac.

Ministry Protests Turkish Statements, Actions

LD2302200093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1816 GMT 23 Feb 93

[Statement issued by Yugoslav Ministry of Foreign Affairs on 23 February]

[Text] Belgrade, 23 Feb (TANJUG)—The Federal Ministry of Foreign Affairs today lodged a sharp protest with the charge d'affairs of the Turkish Embassy in Belgrade over the statements and activities of Turkish President Turgut Ozal, especially at a rally of fundamentalists and ultranationalists in Istanbul on 13 February and during his visits to Bulgaria, Macedonia, Albania, and Croatia.

On this occasion, attention is drawn to Turkey's negative stance toward the Yugoslav crisis and its unacceptable attitude toward the Federal Republic of Yugoslavia [FRY] and the Serbian people ever since Bosnia-Hercegovina was recognized as an independent state, first by Turkey, in February 1992. The FRY has warned of damage to peace and Yugoslav-Turkish relations caused by previous statements of Turkish leaders, such as "if butchery like that in Bosnia-Hercegovina is repeated in Kosovo and Sandzak, the results would be catastrophic, for which reason Turkey could not remain on the sidelines." The media campaign in Turkey, which recently culminated with articles calling Serbs a nation of "criminals, murderers and swine," is without precedent in the recent history of the international relations in the Balkans.

It is stressed that warmongering statements and requests made by Mr. Ozal represent a fresh escalation of the already unacceptable previous Turkish demands that the crisis in Bosnia-Hercegovina be resolved through foreign military intervention, for which Turkey is offering and preparing its troops.

The fact that Turkey has been actively urging for some time that the arms embargo on Muslims of Bosnia-Hercegovina be lifted does not promote the cause of peace. Furthermore, deliveries of arms and military equipment are arriving in Bosnia-Hercegovina from Turkey despite the existing embargo and international law.

It is noted with regret that such an escalation comes at a time when all international factors have accepted a peaceful resolution of the crisis through negotiations of representatives of the three national communities in Bosnia-Hercegovina based on the Vance-Owen plan.

Despite officially supporting the plan put forward by President Clinton, Turkey is directly intensifying and spreading the war to other parts of the Balkans in this way. This is done with the aim of creating an Islamic state in Bosnia-Hercegovina under Turkey's patronage

and with the help of a number of extremist Islamic countries. "Volunteers for the defense of brother Muslims" are being publicly recruited in Turkey. Turkey has been initiating similar drives in other Islamic countries within the Islamic Conference Organization framework and in other international organizations, particularly in the United Nations. This approach is reviving long-forgotten ambitions to restore the Ottoman empire and to rally around Turkey all Muslims, as stated in Turkey, "from the Great Wall of China to the Adriatic shore."

Unacceptable and increasingly frequent interference by Turkey in FRY internal affairs is noted, as well as support given to the secession of Kosmet and Raska [Sandzak]. This is obvious, for example, in the decision by the Turkish government that "the consular department of the Turkish Embassy in Belgrade will cover Serbia, Montenegro, Kosovo, Vojvodina, and Novi Pazar of Sandzak. It is pointed out that this Turkish policy is not only directed against the integrity of the FRY and the territorial integrity of the Republic of Serbia, but is also aimed at the creation of new war flashpoints, and it objectively leads to destabilization of the whole region, with unforseeable consequences.

While ignoring the sovereignty of the FRY and its legal bodies, Turkey maintains contacts with self-proclaimed representatives of Kosmet and Raska, treating them as foreign statesmen. With such representatives an agreement of international character was signed on educating over 750 Muslim students from Raska in Turkey. The opening of news agency representative offices was negotiated through the same channels.

It is stressed again that the Yugoslav government has in the past period pointed, through diplomatic channels and other ways, at the biased and increasingly negative stand by Turkey regarding the situation in Bosnia-Hercegovina and the FRY and warned of the damaging effects of Turkish activities on mutual relations and the danger its actions presented for peace in the region. On these occasions it was requested that the Turkish government renounce such dangerous policy and lend its support to a search for a political solution in Bosnia-Hercegovina and a peaceful resolution to all problems in the Balkan region.

By continuing its policy, Turkey has totally damaged its relations with Yugoslavia, thus preventing normal cooperation betwen the two countries. It is now threatening the very foundations of mutual relations, peace, stability, and cooperation in the Balkans, thus assuming great responsibility, the Ministry of Foreign Affairs told the Turkish representative, and stressed that the prospects for mutual relations thus depend on Turkey's future behavior.

Kontic Meets Serbian, Montenegrin Leaders

LD2302191993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1558 GMT 23 Feb 93

[Text] Belgrade, 23 Feb (TANJUG)—Federal Prime Minister-designate Dr. Radoje Kontic talks on the program and composition of the new government with Nikola Sainovic and Milo Djukanovic, the prime ministers of Serbia and Montenegro, at the Palace of the Federation today.

After the joint talks between the prime minister-designate and the two republican prime ministers, which lasted for over an hour, Djukanovic told journalists that he and Sainovic support the strategic objectives of Kontic's program.

Djukanovic stressed that the Montenegro Government fully agrees with the Federal Government taking over its constitutional tasks and role. Mentioning that Kontic has not come up with any definite names for the new government he expressed dissatisfaction with the insufficient representation of Montenegro on the list of ministerial candidates.

Sainovic assessed that a constructive work atmosphere guarantees that, step by step, the FRY will achieve its objective to revitalize its functions and powers. He suggested to the prime minister-designate that after the government has been formed a joint [republic and federal] program should be drafted with joint functions which should come into effect as soon as possible. Sainovic assessed that the proposed composition of the government could shoulder the burden of complex obligations.

Production of Missiles, Munitions Detailed

AU2302141593 Belgrade POLITIKA in Serbo-Croatian 17 Feb 93 p 11

[Report by Jovan Stojic: "Missiles of Range up to 400 Kilometers"]

[Text] Valjevo, February—In the newest Yugoslavia, the Krusik Company from Valjevo is becoming one of the largest and the most significant armament producers. Krusik has a valuable 50 years worth of experience in such production. As early as in World War II its factories used to deliver brand new bombs to the soldiers on the front. After the war the experts from Krusik continued with the production of new arms for the needs of the Yugoslav People's Army and for export, including the production of the most up-to-date types of missiles, yet of the small range.

With the breakup of Yugoslavia, this company and its approximately 9,000 employees has faced a great responsibility, because many programs for arms production important for the defense of the FRY were returned from factories in Bosnia-Hercegovina to Krusik. Fortunately, although the last two years were very difficult,

speaking in terms of business, Krusik managed to maintain its experts and to continue the cooperation with many scientific institutes. Therefore, there should not be any major problems to take over, and successful arms production, like that which was carried out elsewhere in the former Yugoslavia before, can continue.

Facing a New Challenge

Krusik has recently faced another challenge. It regards the production of the most up-to-date arms for the Yugoslav Army that are of the major importance for the defense system of the country. Some of the products in a large production line are: radar-directed and self-directed missiles, artillery munitions, percussion caps, and so forth. According to Engineer Branko Savic, general director of this holding company [as published], Krusik has always produced the radar-directed and self-directed missiles, but they have mostly been of the short-range type. "In the future we will take over the production of the self-directed missiles of up to a 60-km range and radar-directed missiles of up to 400 km. The speed of implementing such a production line depends on the possibilities of the Yugoslav Army. Thanks to our traditionally good cooperation, we have already managed to provide the money for the production of types of percussion caps that we have not produced before. These caps are constituent parts of every projectile and gun bullet, without which there would be no munitions. We have been also working on the production of the most sensitive sorts of explosives. The production of new sorts of arms will not depend so much on imports, and if importing should sometimes appear as a condition, the problem will be solved in cooperation with other factories in the FRY," Savic explained.

Without Neglecting the "Civil Program"

However, although Krusik is introducing a new production line for the needs of the Yugoslav Army and for export, the leading people of this company do not forget the development of "civil" production lines, in which one half of the aforementioned 9,000 employees work. Thus, when speaking of the munitions for sporting guns, everything is ready to increase the present annual production of shotgun cartridges from 6 to 20 million pieces a year. That will be achieved through buying and reorganizing the Trepca factory in Srbica in Kosovo, which is presently closed, and it is the only factory in the FRY that used to produce the lead buckshot [sacma]. With such a production of shotgun ammunition, and with making its assortment more complete, which was already done two years ago, a significant part of products could be exported. The reduction valves [ventil-reducir] and the complete home set for measuring the consumption of butane-propane gas in apartments, that has been imported so far, the gas ovens, spiral springs for metal industries, and many other things have been already successfully produced, while soon a new line will be introduced, producing the clutch pedals and other similar appliances for cars.

Everything that has been done so far regarding the introduction of new "civilian-use" production lines and that has been done in the arms production sphere, particularly regarding the preparations for the start of long-range missile production, will contribute to the successful business of Krusik, to its overcoming the crisis, and will prevent the dismissal of many employees, as has already happened in many firms throughout the FRY.

Savic also emphasized that in Krusik's development into one of the most important and largest arms production industries, workers and experts are aware very much of their responsible role in the country's defense system and in successful protection of its citizens from any act of aggression. In view of such an opinion, the resolute attitude of the management and many workers not to disburse a part of the amount that Iraq recently repaid for goods it had imported several years ago is quite understandable. The money, about 35 million dinars, should be invested in realization of some new projects, instead of putting it into the employees' pockets.

State, Economy Seen as Insolvent

93BA0587B Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 25 Jan 93 pp 31,32

[Article by Tomislav J. Nikolic: "Insolvency of the State"]

[Text] In contrast to earlier years, when the economy was the one that had predominantly outstanding obligations, now this is a state, i.e., its Office for Reserves of Goods, to which over 80 percent of outstanding obligations in the area of Vojvodina relates. In addition, the greatest amount of outstanding obligations on 30 November 1992 was with the organs of the DPZ [sociopolitical communities], to which 30.5 billion dinars of outstanding obligations, or 83 percent of the total outstanding obligations of Vojvodina (?), falls. Why I included a question mark will be seen later, because outstanding obligations of the Republic Office for Reserves of Goods (the department in Novi Sad), whose obligations are increasing enormously from one month to the next, and amounted to 106.4 billion dinars on 31 December 1992, are at issue.

Moreover, according to figures on 30 November 1992, 559 legal entities with 17,920 employees in Vojvodina had documented outstanding obligations in the amount of 37 billion dinars at the Service for Payments Turnover. The largest part of total outstanding obligations is represented by obligations based on turnover of goods and services, amounting to 35,797,000,000 dinars, or 96.8 percent.

Of the 559 legal entities that were insolvent on the day the report was compiled, the blockade had been constant with 460, and it had lasted 60 days or more with 283.

The insolvency of legal entities is worsening every day, regardless of whether the primary issue is divided "by fist and cap," according to the principal of communism, i.e., to each according to his needs. In addition, the structure of outstanding obligations is extremely alarming, because three-quarters of the obligations related to legal entities constantly insolvent for up to 29 days on 31 August 1992, while on 30 September 1992 two-thirds of outstanding obligations changed to legal entities insolvent from 30 to 59 days, and they passed on 31 October 1992 into the category of constantly insolvent for 60 or more days; and for them the rule that the Service initiates the bankruptcy procedure is applicable. The situation one month later was even more unfavorable; this indicates that illiquidity and insolvency both in the economy and in the state are a general phenomenon, and this in turn should not be considered strange under conditions of the breakup of the financial system and the collapse of the economy.

With regard to the fact that the government of the Republic of Serbia thinks one thing, says another, and does a third, it is worthwhile to point to the structure of outstanding obligations:

(amounts in billions of dinars)

For the period in 1992	Total Outstanding Obligations		State Economy		Office for Reserves of Goods	
	Amount	%	Amount	%	Amount	%
Jan-Aug	4,023	100.0	1,208	30.0	2,781	69.1
Jan-Sep	11,692	100.0	3,240	27.7	8,382	71.7
Jan-Oct	20,441	100.0	4,994	24.4	15,417	75.4
Jan-Nov	36,971	100.0	6,318	17.1	30,498	82.5
Jan-Dec	—	—	—	—	106,372	—

Source: Service for Payments Turnover, Novi Sad Main Affiliate

The monthly increase in outstanding obligations of the state is striking: for September - 5,602,000,000 dinars; for October -7,036,000,000 dinars; for November - 15,081,000,000 dinars; and for December - 75,873,000,000 dinars. The figures cited show that the state increased its outstanding obligations by 38 times by the end of last year in comparison to the situation at the end of August. The central factor is the purchase of agricultural products, where the state acts as general purchaser, but as incapable payer; this accounts for the pressure on Topcider and primary issuance.

Is this the consequence of the preelection activity of Dr. Radovan Bozovic? I believe it is. Why? Despite the fact that even small children know that their parents receive salaries that do not cover their work and consumer goods, since our dinars (our tokens - which only resemble money!) are freshly printed and still smell of the ink printed on Topcider, Dr. Bozovic claimed in the preelection campaign that "not a single dinar from primary issuance did not end up in the budget of Serbia." It is obvious that Premier Bozovic does not wish to admit that his budget is empty and that he finds the only solution on Topcider, which, according to him, should work day and night, in the national interest!?

However, the empirical figures show that the budget is covered by the tax on turnover amounting to about 70 percent, and what else is this but inflationary taxing of citizens, whose basis is primary issuance or the issuance of dinar tokens from nothing. Even this is not all. The government insists on taxing bank interest, as if it is a matter of profit, and not of primary issuance which is the basis of general distribution of an increasingly smaller national income. Even the very fact that the government is seeking a tax on interest from "old foreign exchange earnings" indicates that its goal is to overcharge the people and for the second time at that, since citizens have already been left "short" once for their foreign exchange holdings.

In the wish to present himself as blameless, Dr. Bozovic recently accused the federal state and its budget, claiming that it is being financed from primary issuance, but did not want to admit that it is really he who is the basic guilty party for all this. Namely, right up until recently, the republics, violating the federal law on financing the federation, have usurped others' sources, so that the Federal Treasury has been without its original revenues.

When this is known, the statement of Dr. Bozovic that Mr. Panic is supposedly guilty for this situation sounds hypocritical, since he was at the head of the Federal Government at that time, although he does not bear any responsibility for the situation of our "war finances." Is Mr. Panic guilty for the fact that the national expression "the priest is bigger than the bishop" is applicable to us, which has avoiding responsibility as a consequence, probably according to the principle of "grab the thief." Such an approach by the republic government at the time of the election is an obvious example of covering up the truth, i.e., that the ruling regime does not have its election base in the voters but in the print shop for money, which according to the desires of the government should work day and night, regardless of all the consequences of uncontrolled issuance of primary money.

Our economists know all this, and Dr. Bozovic knows it too, but it does not bother him to say that Mr. Panic does

not understand any of it, because he is not an economist. However, Dr. Bozovic and his advisers do not want to accept the criticism of economists who say that primary issuance cannot be used for everything and all things, especially for financing the socialists' preelection campaign. This is what Dr. Bozovic stated in a conversation with DUGA: "What he (Mr. Panic-Tomislav Nikolic's note) can perhaps criticize me of, but does not understand, is my demand that primary money be provided in time for the purchase of agricultural products. That's not printing money, but a question of a critical mass of money that is covered by goods. Let's say there are 700,000 tons of wheat in reserve. And my demand for a credit-monetary policy that would follow agricultural production is considered by him (Mr. Panic) as a demand for printing money in order to purchase a false social peace, which is pure nonsense, lack of understanding of the situation, and a misuse of the facts."

As an economist, I claim that none of this is correct, but, on the contrary, the opposite. Why? The basic function of primary money of the Central Bank is the addition of money to already existing money in circulation, but only to the level of an increase in the social product. Since a large drop in production and money in abundance is the case with us (this indicates a movement in the foreign exchange rate on the "black foreign exchange market," at a time of payment of unearned wages or uncovered pensions), the central bank would have to cease issuance if it wants to bring about a reduction in the rise of prices, i.e., hyperinflation.

Secondly, the mandatory purchase of agricultural products is done by the Republic Office for Reserves of Goods, so that it would also be responsible for having money, like every buyer, and not seek it from Topcider! Even this is not all. Dr. Bozovic would like "both heat and steam," or both goods and money, all in the interest of preserving social peace.

In addition to the question cited, the question arises of where the money for the purchase of agricultural products "evaporated," if reserves of goods in the Vojvodina owed 106 billion dinars. The December increase of 76 billion dinars indicates that this is suspicious business, since a large part of the obligations were shifted to Vojvodina, although the Department in Novi Sad is not a legal entity, so that a bankruptcy proceeding against it cannot be carried out. And something else. Experts claim that the Department in Novi Sad cannot have its own separate current account, as is the case with legal entities in the economy. Therefore, it doesn't bother the government of Serbia to have fresh money taken from Topcider, justifying itself that it is necessary to pay the farmer for wheat, corn, sunflowers, etc., but at the same time building its obligations up to the sky. In other words, the primary issuance did not go to the farmer, because if that were the case, the obligations would be lower. However, it is known where this money is. It's on the street, because dealers are buying marks for federal needs; this is no secret at all.

The situation is not better in Montenegro either, with regard to the fact that the state also accounts there for about 70 percent of outstanding obligations. Specifically, according to figures of the SDK [Public Auditing Service], this territorial unit of the new (third) Yugoslavia had 5,374,900,000 dinars of outstanding obligations on 30 November 1992, of which the economy accounts for 1,637,700,000 dinars or 30.5 percent. The Republic Fund for Invalid-Pension Insurance is "pulling" the largest part of the outstanding obligations—2,688,900,000 dinars or 50 percent of the total outstanding obligations.

The outstanding obligations of the Republic Office for Reserves of Goods amount to 1,022,900,000 dinars or 19 percent of the total obligations of the Republic of Montenegro.

Finally, it should be said that it is hard to believe that the New Year will bring a turning point in the arrangement of relations in our financial flows, even under the assumption that the plan for multicompensation clearing, according to which the NB [National Bank] of Yugoslavia would inject "fresh" money (a primary issuance) where it is supposedly needed most, is accepted. More specifically, it is hard to believe that the Central Bank will jump into a chain of breaking into pieces and incurring debts right at the weakest point, i.e., with the state, since it is the largest debtor, as the figures show. Much is expected of the state, but the NB of Yugoslavia, as the federal performer, would then be the general buyer and the general seller and not only of agricultural products. I think that it is an illusion to believe that multicompensation clearing is a basis for arranging relations developing as a result of "war financing." It is obvious that the relation between substance and show is being lost from view!

Serbia

Article Views Serbian TV Reportage

AU2402093793 Belgrade BORBA in Serbo-Croatian 19 Feb 93 p 23

[Article by E.I.B.: "Cuts by Editorial Office"]

[Text] At the time when the delegation of the Republic of Serbian Krajina headed by G. Hadzic is going to New York to negotiate under UN auspices, news at home, in Knin, is on replacements, divisions, and rifts. This is confusing observers. Does the leadership now in the United States enjoy any support? These questions are troubling everybody except the Television of Serbia and its editor S. Jovic who did not say a word about this in the 16 February Dnevnik newscast. Knin Correspondent D. Spaic obediently participates (?) in this conspiracy of silence. The next day, editor A. Ljubicic allows the "uninformed" correspondent R. Kablar to speak about everything, except about the rift in which [Zeljko Raznjatovic] Arkan is also involved. He helped take over the television equipment and take it away from Knin....

Somewhat later, the editor reported about VECERNJE NOVOSTI writing that Hadzic and Paspalj do not enjoy the support of Krajina people and that Martic and Babic do enjoy it!

What is looming behind all that will be seen soon. Anyway, the Television of Serbia seems to be a bit confused—both quarreling sides are citing Milosevic... so far.

There was probably not a single viewer who was not watching with apprehension a video report from Sarajevo—people running across the "empty space" targeted by one of the many snipers. Then they probably sighed with relief. This time, none of the Sarajevo people was hit. However, this was a pure lie under the directorship of the Television of Serbia and in the Dnevnik Newscast by S. Jovic. The rest of the video (broadcast in a report by Sky News) shows a woman being wounded and carried away from the dangerous place by her fellow citizens who were thereby risking their own lives.

Here, this is television for you: The editor cuts at the right place and bingo, the lie is complete!

The review of world news by D. Cukic—done with the method of carefully selecting and cutting information—has little to do with what really happened. If one is to believe the general announcement, the United States is being economically ruined while Serbia is finding a way out of difficulties! This is how a report about Clinton's statement on his economic program and a short excerpt from Serbian Government's announcement about activities made with a view to overcoming difficulties has been put together.

How is Cukic doing this? He censors the statement by the chairman of the EC Commission in which the latter pessimistically predicts a Balkan war in two months and shortens the statement by NATO Commander Shalikashvili (to the effect that NATO should take part in keeping peace in Bosnia-Hercegovina, because there is a danger of the conflict spreading above all into Kosovo) allowing only his support for political and not military way to solve the crisis to be heard. The report by J. Pavlovic-Stamenic from Moscow was obviously shortened, so it remained to be guessed whether it was the result Cukic's intervention that Kozyrev's words on no change to the Russian stand on sanctions against the Federal Republic of Yugoslavia were not carried. Was it the same culprit to have made it unclear what the Russian diplomat said very clearly: Russia is not going to support only one, that is Serbian, side, not even in the name of the Orthodox religion!

The Television of Serbia has denied M. Panic the opportunity—when he was leaving the Palace of the Federation—to tell the Yugoslavs that he will stay here. Probably due to strict censorship over the former S. Milosevic's electoral rival, a piece of news significant for Serbian citizens concerning an agreement between the ICN Galenika [chemical plant] and the Military Medical Academy [Army hospital] on supplies with domestically produced medicines was not "let through," either. The same Dnevnik Newscast did not treat R. Kontic, federal prime minister-designate, any better. His news conference in Podgorica at which he said that no agreement had been reached on the new government, was not reported on.

The interesting thing about Wednesday [17 February] newscast directed by Ljubicic is the order of the news. The news of the day was the beginning of the negotiations the delegation of the Republic of Serbian Krajina was having in New York. However, this report was aired only after reports on all protocol visits that should create the impression that the Serbian authorities have numerous friends in the world who keep coming and going. Nevertheless, the president of one of the federal units (you can guess which one) has absolute priority over the president of the country. Therefore, reports from New York were preceded by reports on the Serbs in Romania, received by Milosevic and then by Cosic, on the reporters from the same country received by Minister Pavlovic, and the American businessmen who have realized what the truth about Serbia is.

Regarding the selection of world news, D. Cukic and Z. Jevdjovic have reached a deadlock. There were also some things that Jevdjovic did not like, so he did not report on them: a part of Mrs. Ogata's statement on the turning back of humanitarian aid convoys stopped in Rogatica and Cerska and Warren Christopher's letter to his Romanian counterpart on the need to harshen the sanctions against Yugoslavia with U.S. help.

Another news item that was not carried is the report that the City Trade Union supported the strike planed for 22 February if the Serbian Government fails to meet the demands by educational and health workers.

Bosnian Map Said To Support Anti-Serb Policy

93BA0544C Belgrade POLITIKA in Serbo-Croatian 17 Jan 93 p 7

[Article by Blagoje Komljenovic: "How the Serbian Areas Became Poor"]

[Text] After Geneva, Pale, the temporary capital of the Serbian republic, is at the center of world interest. On Tuesday [19 January], the Serbian deputies will make a decision there to accept or not to accept the Geneva principle concerning a future constitutional arrangement of the former Bosnia-Hercegovina [B-H]. Regardless of their choice, this will not be the beginning, much less the end, of the peace process and of ethnic divisions in this war-torn hybrid state.

One would say that the politician-peacemakers will cross swords above all when the maps of cochairmen Owen and Vance are put down on the negotiating table. It simply is not clear what criteria guided those who drew the borders of the 10 provinces presented. The ethnic

composition of the population, at least so it was suggested, was supposed to be the primary point of departure; however, connecting the respective nationalities into entities has been evaded, especially in areas where they own the land. The economy has also been ignored. Who knows, perhaps even abused.

Impoverished Regions

The first assessments of the maps of Owen and Vance have already been stated in principle: The Croats are being offered more than that to which they are objectively entitled, they want to give the Muslims land that belongs to someone else, and everything that could be taken away from the Serbs was taken away, and even more than that in the Sava and Drina Valleys.

Nothing is really happening in the former Bosnia-Hercegovina by accident, nor anything that began yesterday. In the seventies and eighties, during the tyrannical regime of Branko Mikulic and Hamdija Pozderac, not only were the Serbs driven across the Drina, but Krajina, Semberija, and eastern Hercegovina were impoverished through a deliberate investment policy.

We will mention the economic disaster of only three Serbian towns. Banjaluka was at one time not only the second largest (immediately after Sarajevo), but also the second city in terms of industrial development. It has been cast down even to 27th place. Bijeljina has also fallen from one of the richest to the list of underdeveloped opstinas. Drvar, strange as it may seem, had more factories and a larger employed labor force before the war than it does today. At the same time, the native regions of Branko Mikulic (Bugojno) and Hamdija Pozderac (Cazinska Krajina) experienced such an expansion of development that they climbed from the bottom to the very top of Bosnia-Hercegovina's industrialized zones.

It is logical that the political and economic squeeze on the Serbs should also have been manifested in their migrational movements. Over the period from 1980 to 1990, there was a drop in the number of inhabitants in 35 of 109 opstinas. This occurred in 21 opstinas with a majority Serbian population and in another 14 communes, seven with a dominant Muslim and seven with a dominant Croatian population today. But it is because of the exodus of Serbs from Foca, Visegrad, Trnovo, Rogatica, and Stari Grad in Sarajevo that there was a drop in population during that decade and creation of a majority Muslim population. In the Croatian opstinas (Citluk, Duvno, Siroki Brijeg, Livno, Neum, and Posusje), the decline in population occurred exclusively because people went abroad to work.

Underdeveloped Opstinas

On the eve of the disintegration of federal Yugoslavia, B-H had 38 so-called underdeveloped opstinas. All the former republics set aside 1.55 percent of their social product for a special federal fund for the underdeveloped. Immediately after Kosovo and Metohija, Bosnia-Hercegovina received the largest amount of these resources, followed by Macedonia and Montenegro. For all practical purposes, this was the largest investment potential of the former Bosnia-Hercegovina, and by law it was intended for the faster economic development of the poorest, but unfortunately that purpose was evaded. The republic bigwigs saw that the money went to regions with a predominantly Muslim population (Zenica, Tuzla, Velika Kladusa, Bihac, Bugojno, Visoko...).

Of the 38 underdeveloped opstinas, 16 were located in the proposed provinces intended for the Serbs, nine intended for the Croats, eight for the Muslims, and five for the Croatian-Muslim canton.

Figures on the value of fixed capital per worker also confirm the investment flows in B-H that existed until recently. In 31 opstinas, that value was above the republic average; in terms of nationality, 16 were Muslim, nine were Serbian, and six were Croatian. But the per capita social product in 1990 was higher than the B-H average in 45 opstinas: 22 in provinces proposed for the Muslims on the Owen and Vance map, 16 in Serbian provinces, and seven in Croatian. Conversely, the social product was below the average in 27 opstinas where the Serbs are most numerous, 25 with a Muslim majority, and 12 with a Croatian majority.

These numerical arguments, the further one goes into an economic analysis of the provinces intended for the Serbs, reveal ever more clearly the anti-Serb policy behind the scenes in the former Bosnia-Hercegovina. Not only does the sketch of the map of 10 provinces not mitigate that injustice; on the contrary, it blackens it still more. First of all, the existing opstina borders will have to undergo radical changes (they are not those of the AVNOJ [Antifascist Council of the National Liberation of Yugoslavia], but clan-oriented borders that date from the rule of Mikulic-Pozderac), because their primary objective was to fragment Serbian entities as much as possible in order to round out regions where the other two nationalities are dominant. In any case, the new map of B-H will not be easy to make. In any case, argument must be more important than political will in devising a decentralized new state by mutilating the Serbian lands.

Prospects Poor in Serbian Agriculture

93BA0587A Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 25 Jan 93 pp 21-22

[Article by Milosav Ilijin: "Agrarian Policy: View From the Abyss"]

[Text] *Why the current government spreads the idea about agrarian self-sufficiency. The active farmer works on his property less than 60 days a year. Ideology and politics have had the effect that chopping up property is becoming the dominant tendency*

The strongest trump card that champions of "national dignity" in relations with the world are pulling is that the resources for food production at the disposal of the two-part federal state, especially its larger part, are such that not only does hunger not threaten its population of about 10.4 million souls (1991 census), even when increased by more than one million immigrants from Croatia, Bosnia, and Albania, but also that food shortages for the population of the Serbian krajinas (about 3 million), cut off from earlier sources and supply routes, can be covered. This claim has become so dominant that even the authors of the newest school text on the geography of the SR [Federal Republic] of Yugoslavia occupy themselves in a whole chapter with "Serbian lands outside Yugoslavia" but do not devote a single word to the country's resources!...

This is, without a doubt, only a part of the broad and long-term intention to instill in future generations the false idea about global self-sufficiency, about the possibility of survival with complete independence regarding nourishment, and even of prosperity on the basis of agrarian resources, despite being isolated from the whole world.

The only way of eliminating these illusions, of course, is a review of the real status of these agrarian resources, and from the natural, social, and economic angle. And as far as prosperity on this basis is concerned, there can be benefits only from comparisons with the experiences of countries that do not enjoy the pleasures of autarchy, and in return rub shoulders with problems of limiting production and suffer the torments of competitiveness and the market.

Land in Flight. Present-day Yugoslavia has 6,320,000 hectares of agricultural land. Of this number 4,902,000 hectares, of which plowed fields and gardens account for 3,700,00 hectares, are cultivated, 275,000 hectares are in orchards, 96,000 are in vineyards, and the rest are planted meadows, while pasturelands account for about 1,328,000 hectares. The average of 0.34 hectares of cultivated land per inhabitant (without meadows) is somewhat above the world (0.30 hectares) and the European (0.28 hectares) average. It should be added that a large part of the land resources of the rest of Yugoslavia comprise areas of high pedologic and agrotechnical characteristics, especially in the Panonic depression and spacious river valleys. Researchers at the Novi Sad Agricultural Faculty have established, by means of 20-year stationary experiments, a significantly greater potential for fertility of land and proportionately higher yields with the use of smaller quantities of fertilizer in comparison with the EC countries.

With land and total agrarian resources, it could be said that nothing has changed with the shrinkage of the territory of the state. They have remained where they were, with the potential and the capabilities that they had earlier. Moreover, there has been no destruction from the war up to now in this area, in contrast to other regions of the former Yugoslavia where this potential has been made worthless for many years to come.

In terms of land resources, however, the problem is not exclusively in their abundance or scarcity, but in the means of their utilization. This has always been a festering wound in these areas, which, it would be said at the current time, is mestastasizing. However, there is not only a lack of technical equipment, especially undeveloped infrastructure, although it is drastically conspicuous, for example, in the fact that an almost insignificant part of the area is irrigated (the SFRJ, with 2 percent of irrigated area, is at the rear of Europe), but again, a very poor utilization of the actual existing systems for irrigation and modern agrotechnology in general. Domestic planners have not complained without reason that the best equipped combines have not achieved with their yields even one-half of the biological potential of the kind that they have created, reaching thereby for the world recognition that they have received for them.

What else, then, can be expected from the small peasant farms of an average size of under three hectares, which consist of scores of chopped up and scattered parcels? The parcelization is most pronounced precisely in areas of Serbia and Montenegro. As to effects in lost land, this process is equal to any natural process of denudation (when the land becomes bare), as the Sahara Desert overcomes the African jungles, or like some natural catastrophes. The long-term policy of limiting land holdings under private ownership for ideological motives, as well as agrarian policy in general, have caused the parcelization of holdings to become a general tendency. Their long-term effects have led to the reduction, and even the disappearance, of a part of natural resources, as if this agricultural land hadn't existed.

On the other hand, the main characteristic of individual farms has been massive tractorization, but with a very low degree of utilization of machinery in mechanized cultivation. The machinery has replaced human hands, but new work has not been found for them. The active farmer works in farming less than 60 days a year! This also illustrates the very poor representation of livestock raising. The Federal Ministry of Agriculture is actually warning that this is already the fifth consecutive year of a drop in the number of livestock, so that there are now 14 percent fewer beef cattle than in 1965 and 41 percent fewer sheep, while the number of pigs has increased by only 9.6 percent. Productivity in livestock raising has been dropping in the same way. The average milk yield of cows in the SFRJ amounted to 1.718 liters in all in 1991 during lactation, and the meat yield per sow amounted to 427 kg in all annually. The low level of livestock interrupts the natural cycles of renewal of the fertility of land; this brings on entropy (a loss of energy) and leads to increasingly stronger artificial intervention through use of chemicals, to the detriment of the quality of the product, and of the resources themselves, over the long term.

The situation with regard to the utilization of existing agrarian resources, however, constitutes the most difficult condition where the very users of these resources, and their owners, have no motive for a change in their relation to them. This is confirmed by the fact that farms of all categories, both public and private, do not show any interest or willingness even to increase their property, let alone to expand technologically and develop their production. On the contrary, fields are increasingly poorly cultivated from year to year and more of them are being left uncultivated. However, this is not the consequence just of the current blockade, and the inflation that makes any kind of investment in a whole year's uncertainty regarding payments unthinkable, but this is the expected fruit of the autarchical robbery of resources. Thus, even after the abolition of the land maximum, there is no sign of an increase in the buying and selling of land, although it is being offered at a very low price, especially by the heirs of former owners from whom the land was illegally taken several decades ago. This apathy and lack of interest are doubtlessly the most unfavorable result of several decades under an ideologized autarchical system that is evidently just entering its golden age.

Disappearance of the Future. The economy and the population of Yugoslavia are already dealing with the direct consequences of the situation that has been described. They are seen in the general tendency of shrinkage in the production of agricultural farms in the framework of meeting their own needs and the consumption of households, in the shrinkage of the market to complete parcelization and the replacement of a "regulated" market by distribution of increasingly smaller quantities of basic food articles, in constant clashes between the state-distributor of goods and arbitrators, on the one hand, and producers, on the other, over their prices, in the sprouting of "dry" trade in increasingly smaller quantities of food and, of course, always to the detriment of both producers and consumers, while increasingly closer to general poverty and nourishment "from case to case"...

It is not superfluous to repeat that the causes of these long-term tendencies, which are today being fulfilled so drastically, lie in the long-term degradation of agriculture as an economic activity, in the status of the farmer not as a free market subject, but as a person obligated to cultivate the land (this being a "generally social good"!), regardless of whether he inherited it from his ancestors or "got it from the state for his use." And the most indisputable owner of land on a private farm going back many decades has remained free in the means of utilizing this land, even in the framework of allowed land ownership. His freedom was once limited by planting plans and the famous "agrotechnical minimum," then by obligatory contributions for the infrastructure at the disposal of the state, obligations regarding the "use" of this infrastructure (under dictated conditions), etc.—right up to lawlessness in which the "application" of land at a certain location, which was "partitioned" or "redistributed," i.e., arbitrarily replaced by other land, could be "changed" at any time—or which could simply be "illegally" taken from the owner as "surplus," and with "fair compensation." On the other hand, such a "producer" remained unfree both in the disposal of products from his farm, whether because it remained tied (even after the abolishment of "compulsory purchase") with regard to supplies and credits to a monopolistic "business area" of the local "state economic organization," or through simple prohibition of the removal of goods from the "business area" to which they belong. Finally, if he succeeds in penetrating this state blockade in the choice of a buyer for his goods, the farmer remains limited by generally prevailing purchase prices. The coup de grace for true production of goods and the freedom of farmers as producers of goods, and their equality, is administered by the state with its false money, additionally rendered worthless through the system of discounts.

Today it is evident that the consequences of such a system could not have been different than they are even if the breakup of the old Yugoslavia had not occurred. This also means that even in the new federation, and in every part of it separately, the current situation and the same tendencies will remain unchanged all the time this system survives, and its protagonists succeed in deceiving with the claim that these resources are eternal and sufficient forever for the nourishment of the population. However, there exists still another huge limitation that it is worthwhile to point out to protagonists of such a philosophy. This is the problem of the impossibility of maintaining even the most basic production at the lowest level if the country is cut off from the world, regardless of whether it is because of political decisions or because of the lack of money for the import of raw materials or equipment. An example is provided by collectives of fertilizer factories which are on "mandatory vacation" up to the middle of February because there is no phosphate. On the other hand, the question arises with what money, except from the export of agrarian products, could raw materials be imported even if there were no world prohibition on commerce. By the same token, the assumed increase in agrarian production becomes meaningless if there is no market outside the borders of the country, at least for "surpluses" above domestic production.

This is that invisible, but precious resource that any country with the pretense of being agrarian places at least on the same level with its climate: the resource of the market. The creators and maintainers of the system that is culminating in today's crisis seem never to have had serious pretenses of placing the agrarian sector on the road to world markets; because of this their extreme range was only a periodic coverage of imports with exports of agrarian products. For Yugoslavia in its current borders, however, it is difficult to be able to foresee even this, and for a long time to come. The reasons, we have seen, are not in natural resources, but in a lack of rationality in their uneconomic utilization and consumption. And we can add to this the ruinous fact that even this small area for an equally small number of

agrarian products for which individual enterprises have succeeded in choosing themselves in the better periods of their postwar history has practically been destroyed. This area no longer exists. More exactly, it has been displaced by others, more capable and sensible, before it was vacated, and there is no chance that it will again be conquered in the near future. As proof, it is sufficient to mention the increasingly frequent epidemics of cattle infections which have already long been forgotten about in the countries buying our products, but where tighter import controls designed to prevent any possibility that these infections could be brought in have been established as a result. Those acquainted with these regulations cite, as an example, that in a case of brucellosis there can be no question about the exports of meat and processed meat and milk products before the establishment of long-term, rigorous controls on production (accompanied by the mandatory destruction of infected cattle).

It is worthwhile pointing out to illusionists that are nourishing ideas from the past—that, as soon as "the sanctions end," as in 1909, a herd of half-wild pigs fed on acorns will move toward hungry Europe. From such an abyss, in which agriculture is, there is no passage for something like that either through corridors or towards the Serbian krajinas, if these exist.

Montenegro

Party Condemns Ethnic Cleansing

93BA0600B Belgrade BORBA in Serbo-Croatian 3 Feb 93 p 3

[Text] Podgorica—The Executive Committee of the Social Democratic Party of Reformers of Montenegro yesterday expressed anger because of what is stated in the press release as the ethnic cleansing of Trebinje.

The party's leadership says that this is "the most poignant picture of the policy and 'politicians' represent themselves as representatives of Serbian interests in Bosnia-Hercegovina."

"The cup of dishonor has run over when anyone with a minimum of conscience can reconcile himself to this."

All people are called upon to react and to do everything to "prevent the evil being done to the Montenegrin and Serbian people—by leading them to complete material and spiritual isolation, shame, and death."

Kosovo

Rugova Calls For UN Troops in Province

AU2402141093 Paris AFP in English 1344 GMT 24 Feb 93

[Text] Geneva, Feb 24 (AFP)—The Albanian leader of the Yugoslav province of Kosovo, Ibrahim Rugova, Wednesday [24 February] called on the U.N. to deploy peace-keeping troops there to protect the local ethnic-Albanian population from Serbian "repression".

Rugova, speaking at a press conference, said that "the silent ethnic cleansing" campaign being carried out by the Serbs in Kosovo was getting worse and that independence was the only way out.

While praising the United Nations Human Right Commission for its recent condemnation of Serbian repression, Rugova warned of a possible revolt by the majority ethnic Albanian population.

Such a development would be "catastrophic" and could "draw into the conflict neighboring countries such as Albania, Greece and Bulgaria", he said.

Rugova, who was elected president of the self-proclaimed Kosovo republic in unofficial elections there last May, said he was very pleased by his recent trip to the United States and by the administration's supportive stand.

Kosovo, which is part of Serbia, had its autonomous status revoked by Belgrade in 1990. The province is considered the national birthplace of the Serb nation.

Incorporation of the province into neighbouring Albania was "not realistic," Rugova also said.

Albania has called for self-determination for the province which the U.N. recognizes as part of Serbia.

Qosja Criticizes Berisha in Open Letter

AU2302152393 Belgrade BORBA in Serbo-Croatian 16 Feb 93 p 9

[Article by M. Antic: "Capitulation Before Losing the Battle"]

[Text] The polemic between Pristina and Tirana, carried on between Albanian President Sali Berisha and the Pristina academic, Rexhep Qosja, continues to be the focus of attention of the Albanian Kosmet public. Not even Rugova's [Kosovo Albanian leader] interview, in which he tried to give "satisfaction" to both sides and to lower the "ball" to the ground, helped. Qosja's latest open letter to Berisha, composed in not quite exemplary language, makes it clear that there are two concepts involved in finding an exit from the present hopeless situation—Berisha's peaceful concept and Qosja's war concept.

Qosja was enraged by the following three statements uttered by Berisha at NATO headquarters: "Ideas about a greater Albania are definitely not supported by serious Albanian political circles and forces." The second: "Albania did not request, is not requesting, and will never request a change of existing borders." And the third: "In this crucial period, the development of democracy and the respect of their freedom, their human and national rights, is paramount to all Albanians regardless of where they live." In the first of his open letters and

because of these three sentences, Qosja accused Berisha of betraying national interests and delivered an academic "lesson" in history.

The Albanian president, first alone and later in a joint statement with Ibrahim Rugova, answered Qosja by accusing him of supporting "radicalism, terrorism, and the war option."

It seemed and there were rumors to this effect, that everything would end on this note, because this is what "higher national interests" called for. However, in the latest edition of Pristina ZERI, Qosja published a new open letter to Berisha, this time resolving to completely "unmask" the first Albanian democratic president not only as an "old communist," but also as a "nondemocrat" and an "authoritarian leader," under whose rule the human rights of Albanians in Albania are threatened.

In his latest message to Berisha, Qosja is not beating about the bush: "You have continued to conduct the infamous policy of political and moral liquidation of all those who think differently." He goes on to say: "You have forgotten that you are a president with a five-year, temporary term, whereas my term as an artist numbers many years... and my life's work is eternal." He also "warns" that he has 21 literary works to his credit, in addition to the one that will appear and that will "live for as long as the Albanian language and people live."

While drawing Berisha's attention to the fact that he uttered the three "programmatic" sentences in an "institution that is an instrument of the new world order currently emerging," Qosja accuses Berisha of "not having a consistent attitude" toward solving the Kosovo and global Albanian issue and adds: "Your attitude is very inconsistent," because, "one moment you say one thing, the next another." "Your attitude toward Kosovo is becoming more and more pale, and it will finally narrow down to the least acceptable option—one according to which the Albanian issue will boil down to a question of human rights and freedom." What follows is an accusation that with his attitude, Berisha has left the Kosovo Albanians to the mercy of the Serbs and that after this, the "Albanian issue can be regarded as closed." For these reasons, says Qosja, "I regard this platform as wrong and currently and historically damaging."

Since Qosja's initial open letter to Berisha has already caused quite a stir among the ordinary Albanian folk, he is now reinforcing his "arguments" and is accusing Berisha of leaving him and the Albanian youth "to the mercy" of the Serbian authorities. Since Berisha has accused him of "radicalism, terrorism, and supporting the war option," Qosja asks him: "Why do you accuse me of being an ideologue of terrorism? How can you go so far as to make such an accusation official by incorporating it into a naive statement of bilateral, state nature (joint statement of Berisha and Rugova following their meeting on 20 January in Tirana), which admits Kosovo's capitulation even before the battle has been lost?"

Further on, Qosja discards the statements that accuse him of supporting terrorism and reminds Berisha that "the issue of Kosovo and the Albanian issue in general can be solved only if the people are given the right to national and state self-determination," and not as Berisha believes, by "acknowledging their human national rights and freedom regardless of where they live." Offended by the fact that Berisha described him as being a "Marxist-Leninist," Qosja places the ball squarely in Berisha's court and says "you are the one who keeps fighting the dead," because "you have good reason to feel the need to distance yourself from your communist past, although you cannot do so." Along with the remark that "if you continue in this vein, our paths will cross neither now, nor in the future," Qosja tells Berisha: "I do not accept lessons in democracy from political commissioners." At the same time, he reminds Berisha "in detail" that he was "the number one man and party secretary" of the former Albanian communist regime, whereas he, Qosja, fought for Albanian national interests.

Along with accusing Berisha of "acting as a protagonist of force rather than a protagonist of dialogue, agreement, and reconciliation," this time Qosja did not fail to mention to Berisha that which the latter found most offensive and proceeded to announce it in this way: "It is now clear to me why you did not support the initiative for national reconciliation and unification." Incidentally, this was Qosja's program, which he intended to carry out with Ramiz Alia, but this attempt failed because the new authorities in Albania did not accept it and evaluated it as being too unrealistic.

What follows are accusations that "Berisha, as president of a state, interferes in matters that do not concern him", because for Qosja, he is only president of one party. Qosja substantiated this claim by saying that it was the Parliament that elected Berisha, rather than the people. Furthermore, he accuses him of "interfering with the authority of the government and the Ministry of Foreign Affairs," of retiring young officers at a time "when the state and the nation are facing the danger of a Balkan war," of the fact that Albania is a single-party state. Moreover, according to Qosja, Berisha is guilty of putting the Albanian Television under his control, of stifling the miners' requests in a Bolshevik manner, of the fact that in certain realms of Albanian life certain human rights and liberties are violated in various ways, of the fact that the people's fear of the regime is rising....

At the very end, Qosja informs Berisha that "Albania and the Albanians are facing epochal temptations and events. That is why they need reconciliation in place of revenge, brotherly understanding rather than contempt.... democracy rather than an unscrupulous struggle for power between clans of identical ideological-communist origin. The much-desired and much-needed changes in national life can be carried out only by those who first change themselves. Change yourself, because you still have time to do so!"

All of this is what Qosja wrote to Berisha and sent off "with best wishes."

Vovjvodina

Novi Sad Official Wants Purges of 'Unpatriotic'

93BA0600C Belgrade BORBA in Serbo-Croatian 3 Feb 93 p 9

[Interview with Igor Mirovic, vice president of the Novi Sad Assembly, by G. Jovanovic; place and date not given: "Radical Cleansing of the Serbian Athens"]

[Text] *The general public first heard of 24-year-old Igor Mirovic when on the "ZP" program he conducted a straw poll of Novi Sad citizens in connection with a statement by Djordje Balasevic—Does this city need such an unpatriotic person at all? A member and official of the Serbian Radical Party [SRS] from its very founding, Mirovic is today vice president of the Novi Sad Assembly and a deputy in the federal and republic parliaments. He spoke to BORBA concerning the stories which are becoming louder and louder concerning personnel purges in the Novi Sad media and public firms and which are being attributed to members of the SRS.*

[Jovanovic] Mr. Milorad Crnjanin, who recently became editor of the program "NS Plus," has been particularly active in the purges in Novi Sad media, television especially.

[Mirovic] Those changes are exceedingly constructive. I think that that program will gain in quality with the arrival of Mr. Milorad Crnjanin as editor of "NS Plus." Our greatest reproach of the large number of journalists from Novi Sad Television who are now unemployed is that they were not doing anything. They were probably trying to do some stories which had a dose of reformism, and our government cannot allow anything like that. Those journalists simply cannot understand all that is happening here at the global national level.... Those journalists, who in essence are bad journalists, will have to seek their future in some independent media or take up another career....

[Jovanovic] What are the plans for newspapers, for the newspaper DNEVNIK?

[Mirovic] DNEVNIK is an extremely unprofessional newspaper. A horrible newspaper! Especially one of its publications that is called STAV. Instead of rallying the flower of the young people who live here with their ideas, and continuing the ideas of Svetozar Miletic and Jasa Tomic, that STAV imitates VREME and merely disavows Serbian youth. The best thing would be to shut down that paper....

[Jovanovic] And what will happen to the local radio "202," which is under the city's direct authority?

[Mirovic] Radio "202" is very poorly equipped from the technical standpoint. On the basis of a contract which we have signed with Radio-TV Serbia, we will set up a VHF transmitter so that that broadcasting can be heard much further away. Then an editor whose name is Mr. Petar Jovanovic, who has a very clever Latin policy when it comes to editing the material on that radio, needs to be changed. We have seen through that. We are not so naive, although we are young. We are not Stalinists, but he must realize that that city radio must be the radio of the Serbian Athens. It must cover all the cultural events in the city. But not by saying "So now we have followed ethnic events a bit, and now we will give coverage to those nonethnic events...." That kind of editorial policy, which introduces some kind of balance, is untenable.

[Jovanovic] It is being said that the Serbian Radicals have been particularly interested in Mr. Sinisa Kovacevic remaining as director of the Serbian National Theater.

[Mirovic] The Serbian National Theater will be stronger than the National Theater in Belgrade! We will create that, we have made an agreement with Mr. Sinisa Kovacevic. We will find him an apartment, we are working on that, and he has our greatest support. He ought not to be nervous, he should work....

[Jovanovic] The positions of many directors of public firms in Novi Sad are also shaky.

[Mirovic] I have objections, major objections, to the work of directors of large public firms (the heating plant, the water department...). Some people have been using their positions as director to realize personal material gain. Those manipulations would cease if a central municipal bank were formed that would have a strong board of directors and would oversee where all the city's money goes. The reports being planted by certain autonomist circles to the effect that most of the money from Novi Sad goes to Belgrade are completely inaccurate. That is not true, most of the money is lost in the city. Every public firm has its own bank, which holds the money at totally unfavorable rates of interest, and that is a mechanism which can no longer remain. With the establishment of a municipal bank, we will get the actual money and at any time we will be able to invest it in any project.

[Jovanovic] Are you going to be changing the directors of the public firms?!

[Mirovic] Those personnel changes are a completely normal thing. The system is very cumbersome. For instance, we have three firms which are concerned with office and store space. People in key places have been asleep at the switch. There are people who in these last seven months have never come to a meeting of the city's Assembly and who believe that they have a God-granted right to manage those public firms and that once they have taken those positions, no one can ever move them away. We will simply tell those people that we do not wish them anything bad, they will not be unemployed, but they have to turn over the running of public firms (not all of them) to someone else who is more able.

[Box, p 9]

Balasevic's Insincere Excuses

"Djordje Balasevic has no feel for what I call the real Serbian tradition in Vojvodina, which exists here—the elections demonstrated that. That statement by Djordje Balasevic which bothered me—about demolishing the bridges between Novi Sad and Belgrade—was nothing more than insincere excuses of a conceited pumpkin-head. In any case, this is a gentleman who has written very beautiful and good love songs. I got into the fight with him, I had not been told to do so by anyone, I did this on my own conscience, and I was right. It would be better for Djordje Balasevic to stick to his songs instead of politics, because his political views are erroneous and there is no place for them in Novi Sad," Igor Mirovic said.